BASEL III - Pillar 3 Disclosures for the year ended March 31, 2015

RBI guidelines on 'Basel III Capital Regulation' were issued on May 2, 2012 for implementation in India in phases with effect from April 1, 2013 and to be fully implemented by March 31, 2019. United Overseas Bank Ltd., Mumbai Branch is subject to the RBI Master Circular on Basel-III Capital Regulations, July, 2014 and amendments thereto issued on time to time basis by RBI. The Basel III framework consists of three-mutually reinforcing pillars:

- Pillar 1 - Minimum capital requirements for credit risk, market risk and operational risk
- Pillar 2 - Supervisory review of capital adequacy
- Pillar 3 - Market discipline

Market discipline (Pillar 3) comprises a set of disclosures on the Capital Adequacy and Risk Management framework of the Bank. Pillar 3 disclosures as per RBI master circular on Basel-III Capital Regulations are set out in the following sections for information.

DF-1 Scope of Application

Qualitative Disclosures:

The disclosure and analysis provided herein below are in respect of the Mumbai Branch ('the Bank") of United Overseas Bank Ltd ("UOB") which is incorporated in Singapore. The parent, UOB provides a wide range of financial services through its global network of branches, offices, subsidiaries and associates; personal financial services private banking commercial and corporate banking, investment banking, corporate finance, capital market activities, treasury services, futures broking, asset management, venture capital management, insurance and stock broking services. UOB is rated among the world's top banks by Moody's Investors Service, receiving rating of Aa1 and Prime-1 for long term and short term bank deposits respectively.

The Mumbai branch does not have any subsidiaries in India and is accordingly not required to prepare a consolidated return under the generally accepted accounting principles or under the capital adequacy framework.

Quantitative Disclosures:

a) List of group entities considered for consolidation:

   Not Applicable.

b) List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation:

   Not Applicable.

c) List of group entities considered for consolidation:

   Not Applicable.

d) The aggregate amount of capital deficiencies in subsidiaries:

   Not Applicable.

e) The aggregate amount of the bank's total interests in insurance entities:

   Not Applicable

f) Restrictions or impediments on transfer of funds or regulatory capital within the banking group as of March 31, 2015:

   Not Applicable

Capital Structure:

Capital funds are classified into Tier-I and Tier-II capital under the capital adequacy framework.

Qualitative Disclosures:

(a) Summary information and main features of capital instruments are given below.

The Bank's Tier I capital will consist of Common Equity Tier I and Additional Tier I capital. Common Equity Tier 1 (CET1) capital must be at least 5.5% of risk-weighted assets (RWAs) i.e. for credit risk + market risk + operational risk on an ongoing basis and Additional Tier I capital can be a maximum of 1.5%, thus making total Tier I capital to be at least 7%.

In addition to the minimum Common Equity Tier 1 capital of 5.5% of RWAs, banks are also required to maintain a capital conservation buffer (CCB) of 2.5% of RWAs in the form of Common Equity Tier 1 capital. In terms of the RBI guidelines dated March 27, 2014 the implementation of CCB will begin as on March 31, 2016. Consequently, BASEL III Capital Regulations will be fully implemented as on March 31, 2019.

Bank's Tier I Capital comprises of interest free funds provided by from Head Office and Statutory reserves. The book values of intangible assets and deferred tax assets and other regulatory adjustments are deducted in arriving at CET1 capital.

Bank's Tier II capital comprises of general loan loss provisions, provisions for unhedged foreign currency exposure and provision for country risk exposure which is restricted to 1.25% of total RWAs as required by RBI regulations.

(b) The details of Tier I & Tier II capital with separate disclosures of each component are as under:

The Composition of the Capital structure: *(Rs. '000)*

Particulars	As at March 31, 2015
Paid up Capital (Funds from Head Office)	7,525,524
Statutory reserve	64,084
Regulatory Adjustment to CET I (Deferred Tax Asset & Intangible Assets)	(31,359)
CET 1 Capital	**7,558,249**
Additional Tier 1 Capital	-
Total Tier 1 Capital	**7,558,249**
Provision for Standard assets, unhedged foreign currency exposures and Country exposure (Restricted to 1.25% of Risk weighted Assets)	44,848
Tier 2 Capital	**44,848**
Total regulatory capital	**7,603,097**

DF-2 Capital Adequacy:

Qualitative Disclosures:

The Bank is subject to the Capital adequacy norms as per Master Circular on Basel-III Capital Regulations issued by the Reserve Bank of India ('RBI'). The Basel III capital regulation is being implemented in India from April 1, 2013 in phases and it will be fully implemented as on March 31, 2019. In view of the gradual phase-in of regulatory adjustments to the capital components under Basel III, certain specific prescriptions of Basel II capital adequacy framework shall also continue to apply till March 31, 2017.

As at March 31, 2015, the capital of the Bank is higher than the minimum capital requirement as per Basel-III guidelines.

The Bank has a process for assessing its overall capital adequacy in relation to the Bank's risk profile and a strategy for maintaining its capital levels. The process ensures that the Bank has adequate capital to support all the material risks and an appropriate capital cushion. The Bank identifies, assesses and manages comprehensively all risks that it is exposed to through robust risk management framework, control mechanism and an elaborate process for capital calculation and planning. The Bank has formalised and implemented a comprehensive Internal Capital Adequacy Assessment Process (ICAAP). The Bank's ICAAP covers the capital management policy of the Bank and also sets the process for assessment of the adequacy of capital to support current and future business projections/risks for 4 years. The Bank has a structured process for the identification and evaluation of all risks that the Bank faces, which may have an adverse material impact on its financial position.

The Bank's stress testing analysis involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible ("stressed") business conditions. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a quarterly basis on the Bank's on and off balance sheet exposures to test the impact of Credit, Liquidity risk and Interest Rate Risk in the Banking book (IRRBB). The stress test results are put up to the Asset and liability Committee (ALCO) on a quarterly basis, for their review and guidance. The Bank periodically assesses and refines its stress tests in an effort to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of market conditions. The stress tests are used in conjunction with the Bank's business plans for the purpose of capital planning in the ICAAP.

The integration of risk assessment with business processes and strategies governed by a risk management framework under ICAAP enables the Bank to effectively manage risk-return trade off.

Pillar I

The Bank has adopted Standardised Approach for Credit Risk, Standardized Duration Approach for Market Risk and Basic Indicator Approach for Operational Risk for computing its capital requirement.

The total Capital to Risk weighted Assets Ratio (CRAR) as per Basel III guidelines works to 210.13% as on March 31, 2015 (as against minimum regulatory requirement of 9%). The Tier I CRAR stands at 208.89% as against RBI's prescription of 7.00%. The Bank has followed the RBI guidelines in force, to arrive at the eligible capital, risk weighted assets and CRAR.

Quantitative Disclosure:

The Bank's capital requirements and capital ratios as of 31 March 2015 are as follows:-

(Rs. '000)

Composition of Capital	As at March 31, 2015
1. Capital requirements for Credit Risk	274,129
- Portfolios subject to standardized approach	
- Securitisation Exposures	
2. Capital requirements for Market Risk (Subject to Standardized Duration Approach)	
- Interest rate risk	7,027
- Foreign exchange risk (including gold)	22,500
- Equity risk	-
3. Capital requirements for Operational Risk	21,983
(Subject to basic indicator approach)	
Total Capital Requirements at 9% (1+2+3)	325,639
Total Capital	7,603,097
Common Equity Tier I capital ratio (%)	208.89%
Tier I Capital Adequacy Ratio (%)	208.89%
Total Capital Adequacy Ratio (%)	210.13%

Risk Exposure and Assessment

The Bank considers the following risks as material risks it is exposed to in the normal course of its business and therefore, factors these while assessing/planning capital:

- Credit Risk
- Market Risk
- Operational Risk
- Credit Concentration Risk
- Liquidity Risk
- Interest Rate Risk in the Banking Book

Risk Management Framework

The Bank is exposed to various types of risk. The Bank has separate and independent Risk Management Department in place which oversees all types of risks in an integrated fashion. The objective of risk management is to have optimum balance between risk and return. It entails the identification, measurement and management of risks across the various businesses of the Bank.

The Group Board has approved a risk management framework for all its entities within the Group, including its Mumbai branch.

The assumption of financial and non-financial risks is an integral part of the Group's business. The Group's risk management strategy is targeted at ensuring proper risk governance so as to facilitate on-going effective risk discovery and to efficiently set aside adequate capital to cater for the risks. Risks are managed within levels established by the Group Management Committees, and approved by the Board and its committees. The Group has a comprehensive framework of policies and procedures for the identification, assessment, measurement, monitoring, control and reporting of risks. This framework is governed by the appropriate Board and Senior Management Committees. The Board and the Senior Management Committees have the overall responsibility for risk management and risk strategies in the Bank.

The Group applies the following risk management principles:

1. Delivery of sustainable long-term growth using sound risk management principles and business practices;
2. Continual improvement of risk discovery capabilities and risk controls; and
3. Business development within a prudent, consistent and efficient risk management framework.

DF-3 Credit Risk

Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. In a bank's portfolio, losses stem from outright default due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions.

The Bank adopts the definition of 'past due' and 'impaired credits' (for accounting purposes) as defined by Reserve Bank of India under Income Recognition, Asset Classification and Provisioning (IRAC) norms (vide RBI Master Circular dated July 1, 2014).

Credit Risk Management Policy

The Bank has an approved Credit policy and also relies on the Groups credit policies and processes, adhering to the directives and guidelines issued by RBI to manage credit risk in the following key areas:-

- **Credit Approval Process**

  To maintain independence and integrity of the credit approval process, the credit approval function is segregated from the credit origination. Credit approval authority is delegated through a risk-based Credit Discretionary Limits ("CDL") structure that is tiered according to the borrower's rating. Delegation of CDL follows a stringent process that takes into consideration the experience, seniority and track record of the officer. All credit approving officers are guided by product programmes. These credit policies, guidelines and product programmes are periodically reviewed to ensure their continued relevance.

- **Credit Risk Concentration**

  A risk-sensitive process is in place to regularly review, manage and report credit concentrations and portfolio quality. This includes monitoring concentration limits and exposures by obligors, portfolios, borrowers, industries and countries. Limits are generally set as a percentage of the Group's capital funds.

  Obligor limits ensure that there is no undue concentration to a group of related borrowers that may potentially pose a single risk to the Group.

  Portfolio and borrowers limits ensure that lending to borrowers with weaker credit ratings is confined to acceptable levels. These limits are generally tiered according to the borrower's internal ratings.

  Industry limits ensure that any adverse effect arising from an industry-specific risk event is confined to acceptable levels.

  The Bank adopts a credit risk strategy and risk appetite, which is in line with its risk taking ability to ensure conservation and growth of shareholder funds, with a proper balance between risk and reward. Financial resources are allocated to best optimise the risk reward ratio.

  There is a clearly articulated definition of acceptable credit risk, based upon:

  - Identification of target markets/segments
  - Establishing of characteristics of desirable customers within the target market

- Assessing whether adequate resources are available to support the business
- Ensuring that all economic and regulatory requirements are complied with
- Ensuring that the portfolio is consistent with the Bank's strategy and objectives especially in relation to risk concentration, maturity profile and liquidity management

Quantitative Disclosures

Total gross credit exposure as on March 31, 2015

(Rs. '000)

Particulars	Exposure	Lien Marked Deposits against Exposures	Exposure backed by Eligible Guarantees
Fund based*	8,764,856	-	-
Non fund based	1,034,580	-	-

Represents book value as at March 31, 2015

Notes:

1. Fund based credit exposure excludes Balance with RBI, Balances with Banks, SLR investments, deposits placed SIDBI, Fixed and Other assets.
2. Non-fund based exposure includes Bank Guarantee exposures and Forward Contracts & LC Acceptances.

Geographic distribution of exposure as on March 31, 2015

(Rs. '000)

Particulars	Domestic		
	Exposure	Lien Marked Deposits against Exposures	Exposure backed by Eligible Guarantees
Fund based*	8,764,856	-	-
Non fund based	1,034,580	-	-

**Represents book value as at March 31, 2015*

Notes:

1. Fund based credit exposure excludes Balance with RBI, Balances with Banks, SLR investments, deposits placed with SIDBI, Fixed and Other assets.
2. Non-fund based exposure includes Bank Guarantee exposures and Forward Contracts & LC Acceptances.
3. The Bank has no direct overseas Credit Exposure (Fund/Non Fund) as on March 31, 2015

Industry Type Distribution of Exposure as at March 31, 2015 (Gross)

(Rs. '000)

Industry Name	Sub Industry	Fund Based Exposure*	Non Fund Based Exposure	Total Exposure
Basic Metal and Metal Products	Iron and Steel	1,100,000	47,358	1,147,358
	Metals	693,750	-	693,750
All Engineering		1,000,000	-	1,000,000
Chemicals, Dyes, Paints etc		220,000	-	220,000
Leather and Leather Products	Leather and Leather Products		76,608	76,608
Telecommunication		1,000,000	-	1,000,000
NBFC's		1,000,000		1,000,000
Cement		800,000		800,000
Other Industries				
Of which; Electricity		700,000		700,000
Food Confectionary		59,000	-	59,000
Logistic		42,000	-	42,000
Banks		903,230	122,250	1,025,481
Commodities Trading		146,875	727,984	874859
Cooperative Society		1,100,000		1,100,000
Guarantees issued against C/G		-	60,380	60,380
Total		**8,764,856**	**1,034,580**	**9,799,436**

**Represents book value as at March 31, 2015.*

Notes:

1. Fund based credit exposure excludes Balance with RBI, Balances with Banks, SLR investments, deposits placed with SIDBI, Fixed and Other assets.
2. Non-fund based exposure includes Bank Guarantee exposures and Forward Contracts & LC Acceptances.

Residual contractual maturity breakdown of assets

(Rs. '000)

Maturity Bucket	Cash, Balances with RBI and other Banks	Advances	Investments	Fixed Assets	Other Assets (Net)
Day 1	498,627	-	207,910	-	-
2 to 7 days	-	220,000	-	-	49,547
8 to 14 days	-	1,800,000	-	-	5,126
15 to 28 days	201	-	1,078	-	-
29 days to 3 months	80,149	4,149,850	584,103	-	62
Over 3 months to 6 months	-	151,875	38	-	1
Over 6 months to 12 months	10	2,443,131	1,040,493	-	10,429
Over 1 year to 3 years	-	-	-	-	-
Over 3 years to 5 years	-	-	-	-	-
Over 5 years	-	-	-	41,450	165,361
Total	**578,987**	**8,764,856**	**1,833,622**	**41,450**	**230,526**

Movement of NPA (Gross) and Provision for NPAs - March 31, 2015

(Rs. in '000)

Particulars	As at 31 March 2015
(i) Amount of NPAs (Gross)	-
● Substandard	-
● Doubtful 1	-
● Doubtful 2	-
● Doubtful 3	-
● Loss	-
(ii) Net NPAs	-
(iii) NPA Ratios	-
● Gross NPAs to Gross Advances	-
● Net NPAs to Net Advances	-
(iv) Movement of NPAs (Gross)	-
Opening Balance as at April 1, 2014	-
Additions during the year	-
Reductions during the year	-
Closing Balance as at March 31, 2015	-
(v) Movement of provision of NPAs	-
Opening Balance as at April 1, 2014	-
Provisions made during the year	-
Write-offs of NPA provision	-
Write backs of excess provisions	-
Closing Balance as at March 31, 2015	-

NPI (Gross), Provision for NPI and Movement in Provision for Depreciation on investments - March 31, 2015

(Rs. in 000s)

Particulars	As at 31 March 2015
(i) Amount of Non Performing Investments	-
(ii) Amount of provisions held for Non Performing Investments	-
(iii) Movement of provisions for depreciation on investments	-
Opening Balance as at April 1, 2014	-
Provision made during the year	-
Provision written back on account of sale of Investment and write back	-
Closing Balance as at March 31, 2015	-

DF-4 Credit Risk: Disclosures for Portfolios subject to Standardised approach

Qualitative Disclosure

The Bank has used the ratings of the following external credit rating agencies (arranged in alphabetical order) for the purposes of risk weighting their claims for capital adequacy purposes:

a) Brickwork Ratings India Pvt. Ltd. (Brickwork)

b) Credit Analysis and Research Ltd. (CARE)

c) Credit Rating Information Services of India Ltd. (CRISIL)

d) ICRA Limited (ICRA)

e) India Ratings and Research Private Ltd. (India Ratings) and

f) SME Rating Agency of India Ltd. (SMERA)

International credit rating agencies (arranged in alphabetical order) for the purposes of risk weighting their claims for capital adequacy purposes where specified:

a) Fitch;

b) Moody's; and

c) Standard & Poor's

The Bank has used the solicited ratings assigned by the above credit rating agencies for credit facilities provided to its customers

A description of the process used to transfer public issuer ratings onto comparable assets in the banking book:

- Bank has used short term ratings for assets with maturity upto one year and long-term ratings for assets maturing after one year as accorded by the approved external credit rating agencies.
- Bank has not cherry picked ratings. Bank has not used one rating of a CRA (Credit Rating Agency) for one exposure and another CRA's rating for another exposure on the same counterparty unless only one rating is available for a given exposure.
- If an issuer has a long term external credit rating that warrants RW (Risk Weight) of 150%, all unrated exposures on the same issuer whether long or short is assigned the same 150% RW unless mitigated by recognised Credit Risk Mitigation (CRM) techniques.
- Bank has used only solicited rating from the recognised CRAs. In case the issuer has multiple ratings from CRAs, the Bank has a policy of choosing (if there are two or more ratings) lower rating.
- No recognition of CRM technique has been taken into account in respect of a rated exposure if that has already been factored by the CRA while carrying out the rating.

Quantitative Disclosure

Details of credit exposures (funded and non funded) classified by risk buckets

The table below provides the break-up of the Bank's net exposures into three major risk buckets.

(Rs. in '000)

Sr. No.	Exposure amounts after risk mitigation	Fund Based Exposure*	Non Funded Exposure
1	Below 100% risk weight exposure outstanding	8,434,756	987,222
2	100% risk weight exposure outstanding	330,100	-
3	More than 100% risk weight exposure outstanding	-	47,358
4	Deducted (represents amounts deducted from Capital funds)	-	-
	Total	**8,764,856**	**1,034,580**

**Represents book value as at March 31, 2015*

Notes:

1. Fund based credit exposure excludes Balance with RBI, Balances with Banks, SLR investments, deposits placed with SIDBI, Fixed and Other assets.
2. Non-fund based exposure includes Bank Guarantee exposures and Forward Contracts & LC Acceptances.

DF-5 Credit Risk Mitigation: Disclosures for Standardised Approaches

Qualitative Disclosures

1) Policies and processes for and an indication of the extent to which the bank makes uses of on- and off-balance sheet netting:

Bank makes use of on-balance sheet netting which is confined to loans/advances and deposits, where Bank has legally enforceable netting arrangements, involving specific lien with proof of documentation.

2) Policies and processes for collateral valuation and management:

As stipulated by the RBI guidelines, the Bank uses the comprehensive approach for collateral valuation. Under this approach, the Bank reduces its credit exposure to counterparty when calculating its capital requirements to the extent of risk mitigation provided by the eligible collateral as specified in the Basel III guidelines.

3) The Bank adjusts the value of any collateral received to adjust for possible future fluctuations in the value of the collateral in line with the requirements specified by RBI guidelines. These adjustments, also referred to as 'haircuts', to produce volatility-adjusted amounts for collateral, are reduced from the exposure to compute the capital charge based on the applicable risk weights.

4) Description of the main types of collateral valuation and management:

Bank presently accepts cash (deposited with the Bank) as eligible financial collateral

5) Information about (market or credit) risk concentrations within the mitigation taken:

As the Bank presently accepts cash (deposited with the Bank) as eligible financial collateral, there is no concentration risk within the mitigants.

Quantitative Disclosures

(Rs. in '000)

Particulars	As on March 31, 2015
Total exposure covered by eligible financial collateral after application of applicable haircuts	-
Total exposure covered by guarantees/credit derivatives	-
Total	**-**

DF-6 Securitisation Exposures: Disclosure for standardised approach

The Bank has not originated any securitized instruments nor has made any investments in securitised instruments issued by others.

DF-7 Market Risk in Trading Book

Market risk of the Bank is defined as the risk to the Bank's earnings and capital due to changes in the market interest rate or prices of securities, foreign exchange, commodities and equities as well as volatilities of changes. The Bank assumes market risk in its lending and deposit taking businesses and in its investment activities, including position taking and trading. The market risk is managed in accordance with the investment policy, which are approved by the Management Committee. These policies ensure that operations in securities and foreign exchange contracts are conducted in accordance the extant RBI guidelines. The salient features of the market risk at the Bank are as under:

- Bank has exposures such as Treasury Bills held in AFS category in "Banking Book" which is valued at carrying cost.
- Bank also has foreign exchange exposures which are marked to market for valuation.
- The Bank has detailed policies covering ALM, Market Risk, investments and foreign exchange risk management.

Qualitative Disclosure

The Group's market risk framework comprises market risks policies and practices, the validation of valuation and risk models, the control structure with appropriate delegation of authority and market risk limits. In addition, robust risk architecture as well as a new Product/Service Programme process ensures that market risk issues identified are adequately addressed prior to launch. Management of derivative risks is continually reviewed and enhanced to ensure that the complexities of the business are appropriately controlled.

Overall market risk appetite is balanced at the Group and Branch with the targeted revenue, and takes into account the capital position of the Group and Branch to ensure that it remains well-capitalised under stressed circumstances. The appetite is translated to risk limits that are delegated to business units. These risk limits have a proportional returns that are commensurate with the risks taken. Market risk exposures are managed within RBI guidelines and limits.

The objectives of market risk management are as follows:

- Management of liquidity
- Management of interest rate risk and exchange rate risk.
- Proper classification and valuation of investment portfolio
- Adequate and proper reporting of investments and derivative products
- Compliance with regulatory requirements

Overview of Policies and Procedures

The market risk for the Trading Book of the Bank is managed in accordance to the approved Investment Policy, Market Risk Policy. These policies provide guidelines to the operations, Valuations, and various risk limits and controls pertaining to various securities and foreign exchange contracts. These policies enhance Bank's ability to transact in various instruments in accordance with the extant regulatory guidelines and provide sound foundation for day to day Risk Control, Risk management, and prompt business decision making. The Bank also has a Stress Testing Policy and Framework which enables Bank to capture impact of various stress scenarios on Trading Book Portfolio. All these policies are reviewed periodically to incorporate changes in economic, business and regulatory environment.

Roles and Responsibilities: The Bank has Asset Liability committee (ALCO), which is responsible for defining and estimating the market risk inherent in all activities. As regards to investments, the ALCO is responsible for the pattern and composition of investments. The middle office assesses the risk independently and is responsible for preparing stress testing scenarios, providing inputs in pricing market risk, performing revaluation and marking to market of market exposures.

Liquidity Risk

i. **Funding Liquidity Risk:** The risk to the bank's earnings or capital from its inability to meet its obligations or fund increases in assets as they fall due, without incurring significant costs or losses.

ii. **Market Liquidity Risk:** The risk that an asset cannot be sold due to lack of liquidity in the market.

Liquidity Risk Framework is approved by Asset Liabilities Committee (ALCO). The Bank's ALM Policy defines the gap limits for the structural liquidity and the liquidity profile of the Bank. The Bank's ability to meet its obligations and fund itself in a crisis scenario is critical and accordingly, stress testing is performed to assess the impact on liquidity. The Bank also prepares structural liquidity statements, dynamic liquidity statements and other liquidity reports to manage the liquidity position.

Quantitative Disclosure

(Rs. in '000)

	As at 31 March 2015
I. Interest Rate Risk (a+b)	**7,027**
a. General market risk	7,027
i. Net position (parallel shift)	7,027
ii. Horizontal disallowance (curvature)	-
iii. Vertical disallowance (basis)	-
iv. Options	-
b. Specific risk	-
II. Equity Position Risk (a+b)	-
a. General market risk	-
b. Specific risk	-
III. Foreign Exchange Risk (Foreign Exchange & Gold)	**22,500**
IV. Total Capital charge for Market risks (I+II+III)	**29,527**

DF-8 Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational Risk includes legal risk but excludes strategic risk and reputation risk.

Qualitative Disclosure

The Bank has relies on Group Operational Risk Management Framework of polices, processes and procedures, by which business units identify, assess, monitor and control/mitigate their operational risks.

Key Risk and Control Self Assessment involves identifying and assessing inherent risks in Bank's key processes, as well as assessing the effectiveness of controls to mitigate the identified risks. Action plans to address issues are documented and monitored via Operational Risk Action Plans.

Key Operational Risk Indicators are statistical data collected and monitored by business and support units on an on-going basis to facilitate early detection of potential operational control weaknesses. Trend analysis is carried out to identify systemic issues that need to be addressed.

A database of operational risk events and losses has been established to facilitate the use of advanced approaches for quantification of operational risks. The analysis of loss trends and root causes of loss events helps in strengthening the internal control environment.

A Group Insurance Program is in place to effectively mitigate the risk of high impact operational losses

With the increasing need to outsource for cost and operational efficiency, the Group's Outsourcing Policy and Framework ensures that outsourcing risks are adequately identified and managed prior to entering into any new arrangements and on an on-going basis.

Effective business continuity and crisis management strategies and plans have been developed and tested to ensure prompt recovery of critical business functions in the event of major business and/or system disruptions.

Besides the above, the Bank also undertakes the following to proactively identify operational risks in the operations and external environment.

- Robust processes for review of products and critical process prior to launch/modifications
- Monitoring of external OR events/frauds and gaining insights for improvements in processes/controls.

Risk Management Committee reviews operational risk in accordance to its terms of reference. Risk Management Committee is updated quarterly on all key operational risk issues.

Quantitative Disclosures

As per the mandate from RBI, the Bank is following Basic Indicator Approach (BIA) for assessment of operational risk capital. Capital requirement for operational risk as per BIA as on 31st March 2015 is **Rs. 21,983 ('000).**

DF-9 Interest rate risk in banking book (IRRBB)

Interest Rate Risk in Banking Book (IRRBB) refers to the risk of potential reduction in or loss of earnings (Net Interest Income) and Capital (Economic Value) as a consequence of movement in interest rates. Interest rate risk arises from holding assets/liabilities and Off- Balance Sheet [OBS] items with different principal amount, maturity dates or repricing dates thereby creating exposure to changes in levels of interest rates. Objective of the Bank is to limit IRRBB under regulatory risk limits.

Qualitative Disclosures

Overview of Policies and Procedures

Interest Rate Risk is part of the overall ALM (Asset Liability Management) Policy and market risk policy of the bank. The Bank also has a Stress Testing Policy and Framework which enables Bank to capture impact of various stress scenarios on Banking Book Portfolio. All these policies are reviewed periodically to incorporate changes in economic, business and regulatory environment.

Asset liability committee (ALCO) is responsible for evaluating and institutionalizing appropriate systems and procedures for monitoring and managing the IRRBB of the Bank. The day-to-day responsibility of monitoring, evaluation and risk measurement rests with middle office. Interest rate sensitive gap statements across pre-defined time buckets are continuously monitored for measuring and managing the interest rate risk.

IRRBB Identification, Measurement, Monitoring and Reporting

The group marker risk framework elaborates IRRBB architecture to measure, monitor and control the adverse impact of interest rates on the Bank's financial condition within tolerable limits. This impact is calculated from following perspectives:

- **Earnings perspective**: Indicates the impact on Bank's Net Interest Income (NII) in the short term.
- **Economic perspective**: Indicates the impact on the net-worth of bank due to re-pricing of assets, liabilities and off-balance sheet items.

The ALM & Market Risk Policies define the framework for managing IRRBB through measures such as:

1. **Interest Rate Sensitivity Report:** Measures mismatches between rate sensitive liabilities and rate sensitive assets (including off-balance sheet positions) in various tenor buckets based on re-pricing or maturity, as applicable.
2. **Duration Gap Analysis**: Measures the mismatch in duration of assets & liabilities and the resultant impact on market value of equity.
3. **Banking Book Value at Risk (VaR):** Estimates the maximum possible loss, at a predefined confidence level, on the market value of banking-book over a certain time horizon under normal conditions.
4. **Earnings at Risk (EaR):** Estimates the impact on net interest income over one year horizon due to 1% changes in interest rates.
5. **Sensitivity Analysis:** Evaluates the impact on both trading and banking book due to parallel and non parallel shifts in interest rates.
6. **Stress Testing:** Evaluates the impact on duration of capital of banking book under various stress scenarios. All the above risk metrics are measured on regular basis and reported to ALCO periodically as guided by the ALM policy of the Bank.

All the above risk metrics are measured on regular basis and reported to ALCO periodically.

Quantitative Disclosures

The Banks assesses its exposure to IRRBB using the Economic Value of Equity (EVE) approach & calculate likely drop in Market Value of Equity with 200 bps change in interest rates. The estimated impact of such shock as at March 31, 2015 is as follows.

Impact of Interest Rate Risk *(Rs. '000)*

Earnings Perspective (Impact on Net Interest Income)		
Currency	If interest Rate were to goes down by 200 bps	If interest Rate were to goes up by 200 bps
INR	(25,953)	25,953
USD	(1,662)	1,662
Total	**(27,615)**	**27,615**

(Rs. '000)

Economic Value Perspective (Impact on Market Value of Equity)		
Currency	If interest Rate were to goes down by 200 bps	If interest Rate were to goes up by 200 bps
INR	(71,308)	71,308
USD	(6,028)	6,028
Total	**(77,336)**	**77,336**

Notes: *The above impact is for 200 bps parallel shift in the interest rates for both assets and liabilities.*

DF-10 General Disclosures for Exposures Related to Counterparty Credit Risk

Counterparty exposure

Counterparty credit risk in case of derivative contracts arises from the forward contracts. The subsequent credit risk exposures depend on the value of underlying market factors (e.g., interest rates and foreign exchange rates), which can be volatile and uncertain in nature. The Bank has exposure to derivative only in the form of forward foreign exchange transactions at present.

Credit limits for counter party credit exposure

The credit limit for counterparty Bank as well as Corporates is fixed based on their financial performance as per the latest audited financials. Various financial parameters such as NPA ratios, liquidity ratios, profitability etc as applicable are taken into consideration while assigning the limit. Credit exposure is monitored daily to ensure it does not exceed the approved credit limit.

Policies with respect to wrong-way risk exposures

Wrong way risk is defined as an exposure to a counterparty that is adversely correlated with the credit quality of that counterparty. Wrong way risk arises when there is a positive expected correlation between EAD and PD to a given counterparty. It tends to increase when the counterparty credit quality gets worse. There are two types of wrong-way risk, namely, specific wrong-way risk and general wrong-way risk. For general wrong way risk, the Bank would identify and report transactions that exhibit wrong way characteristics to the management and Credit Committee on a regular basis. For specific wrong way risk, generally, such transactions should be rejected at the credit approval stage. However, if for whatever reasons it is approved, the value of the credit protection bought would not be recognized.

Credit exposures on forward contracts

The Bank enters into the forward contracts in the normal course of business for positioning and arbitrage purposes, as well as for our own risk management needs, including mitigation of interest rate and foreign currency risk. Derivative exposures are calculated according to the current exposures method.

Credit exposure as on March 31, 2015

(Rs. '000)

	Notional Amount	Gross positive fair value of contracts	Potential future exposure	Total Credit Exposure
Forward Contracts	6,289,907	11,210	125,798	137,008

Table DF-11 : Composition of Capital

Part II : Template to be used before March 31, 2017

(i.e. during the transition period of Basel III regulatory adjustments)

(Rs. in '000)

Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)			Amounts Subject to Pre-Basel III Treatment	Ref No.
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium) (Funds from Head Office)	7,525,524	-	a1
2	Retained earnings	-	-	
3	Accumulated other comprehensive income (and other reserves)	64,084	-	a2
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	-	
	Public sector capital injections grandfathered until January 1, 2018	-	-	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-	
6	Common Equity Tier 1 capital before regulatory adjustments	**7,589,608**	-	a1+a2
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments		-	
8	Goodwill (net of related tax liability)		-	
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	(6,931)	-	c1
10	Deferred tax assets	(24,428)	-	c2
11	Cash-flow hedge reserve		-	
12	Shortfall of provisions to expected losses		-	
13	Securitisation gain on sale		-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities		-	
15	Defined-benefit pension fund net assets		-	
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	-	-	
17	Reciprocal cross-holdings in common equity	-	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	-	
20	Mortgage servicing rights(amount above 10% threshold)		-	
21	Deferred tax assets arising from temporary differences(amount above 10% threshold, net of related tax liability)		-	
22	Amount exceeding the 15% threshold		-	
23	of which : significant investments in the common stock of financial entities	N.A.	-	
24	of which : mortgage servicing rights		-	
25	of which : deferred tax assets arising from temporary differences		-	
26	National specific regulatory adjustments (26a+26b+26c+26d)	-	-	
26a	of which : Investments in the equity capital of unconsolidated insurance subsidiaries	-	-	
26b	of which : Investments in the equity capital of unconsolidated non-financial subsidiaries	-	-	
26c	of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank of which : Unamortised pension funds expenditures	-	-	
26d	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-	
28	**Total regulatory adjustments to Common equity Tier 1**	**(31,359)**	-	c=c1+c2
29	**Common Equity Tier 1 capital (CET1)**	**7,558,249**	-	a= a1+a2-(c1+c2)
Additional Tier 1 capital : instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	-	-	
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-	-	
32	of which : classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-	-	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	-	

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Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)			Amounts Subject to Pre-Basel III Treatment	Ref No.
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	-	
35	of which : instruments issued by subsidiaries subject to phase out	-	-	
36	**Additional Tier 1 capital before regulatory adjustments**	-	-	
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	-	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
41	National specific regulatory adjustments (41a+41b)	-	-	
41a	Of which: Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-	-	
41b	Of which: Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-	-	
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	
43	**Total regulatory adjustments to Additional Tier 1 capital**	-	-	
44	**Additional Tier 1 capital (AT1)**	-	-	
44a	Additional Tier 1 capital reckoned for capital adequacy	-	-	
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	**7,558,249**	-	
Tier 2 capital : instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-	
47	Directly issued capital instruments subject to phase out from Tier 2	-	-	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	-	
49	of which : instruments issued by subsidiaries subject to phase out	-	-	
50	Provisions (provision for standard advances, unhedged foreign currency exposures and country risk provisions)	44,848	-	b1
51	**Tier 2 capital before regulatory adjustments**	**44,848**	-	b1
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	-	-	
53	Reciprocal cross-holdings in Tier 2 instruments	-	-	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	-	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
56	National specific regulatory adjustments (56a+56b)	-	-	
56a	of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	-	-	
56b	of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-	-	
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	-	-	
57	**Total regulatory adjustments to Tier 2 capital**	-	-	
58	**Tier 2 capital (T2)**	**44,848**	-	b1
58a	Tier 2 capital reckoned for capital adequacy	44,848	-	b1
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**		-	
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	**44,848**	-	B
59	**Total capital (TC = T1 + T2) (45 + 58c)**	**7,603,097**	-	a+b
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment	-	-	
60	**Total risk weighted assets (60a + 60b + 60c)**	**3,618,211**	-	
60a	of which : total credit risk weighted assets	3,045,881	-	
60b	of which : total market risk weighted assets	328,079	-	
60c	of which : total operational risk weighted assets	244,251	-	
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	208.89%	-	
62	Tier 1 (as a percentage of risk weighted assets)	208.89%	-	
63	Total capital (as a percentage of risk weighted assets)	210.13%	-	

Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)			Amounts Subject to Pre-Basel III Treatment	Ref No.
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	-	-	
65	of which : capital conservation buffer requirement	-	-	
66	of which : bank specific countercyclical buffer requirement	-	-	
67	of which : G-SIB buffer requirement	-	-	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	-	-	
National minima (if different from Basel III)				
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	-	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	-	
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%	-	
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financial entities	-	-	
73	Significant investments in the common stock of financial entities	-	-	
74	Mortgage servicing rights (net of related tax liability)	N.A.	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	N.A.	-	
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-	-	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	-	-	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-	
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	N.A.	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N.A.	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	

Notes to the template

Row No. of the template	Particular	Rs. in ‘000
10	Deferred tax assets associated with accumulated losses	-
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	24,428
	Total as indicated in row 10	24,428
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-
	of which : Increase in Common Equity Tier 1 capital	-
	of which : Increase in Additional Tier 1 capital	-
	of which : Increase in Tier 2 capital	-
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then	-
(i)	Increase in Common Equity Tier 1 capital	-
(ii)	Increase in risk weighted assets	-
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	-
	of which : Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	-
50	Eligible Provisions included in Tier 2 capital	44,848
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	44,848
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	-

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DF-12 Composition of Capital - Reconciliation Requirements

Step 1

(Rs. in '000)

		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As at 31.03.2015	As at 31.03.2015
A	Capital & Liabilities		
I	Paid-up Capital	7,525,524	
	Reserves & Surplus	199,935	
	Of which: Statutory Reserve	*64,084*	
	Minority Interest	NA	
	Total Capital	7,725,459	
ii	Deposits	1,043,304	
	of which: Deposits from banks	*500,100*	
	of which: Customer deposits	*543,204*	
iii	Borrowings	2,558,331	
	of which: From RBI	*150,000*	
	of which: From banks	*2,159,375*	
	of which: From other institutions & agencies	*248,956*	
	of which: Others (pl. specify)	-	
	of which: Capital instruments	-	
iv	Other liabilities & provisions	122,347	
	Of which: Provision for Standard Assets, Country Risk & UHFCE	*44,848*	
	Total	11,449,441	
	Assets		
i	Cash and balances with Reserve Bank of India	191,043	
	Balance with banks and money at call and short notice	387,944	
ii	Investments:	1,833,622	
	of which: Government securities	*1,833,622*	
	of which: Other approved securities		
	of which: Shares		
	of which: Debentures & Bonds		
	of which: Subsidiaries/Joint Ventures/Associates		
	of which: Others (Commercial Papers, Mutual Funds etc.)	*150*	
iii	Loans and advances	8,764,856	
	of which: Loans and advances to banks	*903,231*	
	of which: Loans and advances to customers	*7,861,625*	
iv	Fixed assets	41,450	
	Of which: Intangible (Software)	*6,931*	
iv	Other assets	230,526	
	of which: Goodwill and intangible assets		
	of which: Deferred tax assets	*24,428*	
vi	Goodwill on consolidation	0	
vii	Debit balance in Profit & Loss account	0	
	Total Assets	11,449,441	

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Step 2

(Rs. in '000)

			Balance sheet as in published financial statements	Under regulatory scope of consolidation	Ref. No.
			As at 31.03.2015	As at 31.03.2015	
A		**Capital & Liabilities**			
	i.	Paid-up Capital (funds from HO)	7,525,524		a1
		of which : Amount eligible for CET1	7,525,524		
		of which : Amount eligible for AT1	-		
		Reserves & Surplus	199,935		
		of which: Statutory Reserves	*64,084*		a2
		of which: Balance in Profit and Loss account	*135,851*		
		Minority Interest	-		
		Total Capital	7,725,459		
	ii.	Deposits	1,043,304		
		of which : Deposits from banks	*500,100*		
		of which : Customer deposits	*543,204*		
		of which : Other deposits (pl. specify)	-		
	iii.	Borrowings	2,558,331		
		of which : From RBI	*150,000*		
		of which : From banks	*2,159,375*		
		of which : From other institutions & agencies	*248,956*		
		of which : Others (pl. specify)	-		
		of which : Capital instruments	-		
	iv.	Other liabilities & provisions	122,347		
		Total	**11,449,441**		
B		**Assets**			
	i.	Cash and balances with Reserve Bank of India	191,043		
		Balance with banks and money at call and short notice	387,944		
	ii.	Investments :	1,833,622		
		of which : Government securities	*1,833,472*		
		of which : Other approved securities	-		
		of which : Shares	-		
		of which : Debentures & Bonds	-		
		of which : Subsidiaries/Joint Ventures/Associates	-		
		of which : Others (Commercial Papers, Mutual Funds etc.)	*150*		
	iii.	Loans and advances	8,764,856		
		of which : Loans and advances to banks	903,231		
		of which : Loans and advances to customers	7,861,625		
	iv.	Fixed assets	41,450		
		of which : Software	*6931*		c1
	v.	Other assets	230,526		
		of which : Goodwill and intangible assets	-		
		of which : Deferred tax assets	*24,428*		c2
	vi.	Goodwill on consolidation	-		
	vii.	Debit balance in Profit & Loss account	-		
		Total Assets	**11,449,441**		

Step 3

(Rs. in '000)

Common Equity Tier 1 capital: instruments and reserves			
		Component of regulatory capital reported by bank	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2**
1	Directly issued qualifying common share (and equivalent for non- joint stock companies) capital plus related stock surplus	7,525,524	**a1**
2	Retained earnings	-	-
3	Accumulated other comprehensive income (and other reserves)	64,084	**a2**
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-
6	**Common Equity Tier 1 capital before regulatory adjustments**	**7,589,608**	**a1+a2**
7	Prudential valuation adjustments		-
8	Goodwill (net of related tax liability)		-
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	(6,931)	**c1**
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(24,428)	**c2**
11	Regulatory adjustments applied to Common Equity Tier 1 and Tier 2 to cover deductions		-
	Common Equity Tier 1 capital (CET1)	**7,558,249**	**A**

DF-13 Main Features of Regulatory Capital Instruments

Disclosure template for main features of regulatory capital instruments		
1.	Issuer	NA
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3.	Governing law(s) of the instrument	NA
	Regulatory treatment	
4.	Transitional Basel III rules	NA
5.	Post-transitional Basel III rules	NA
6.	Eligible at solo/group/group & solo	NA
7.	Instrument type	NA
8.	Amount recognised in regulatory capital (as of most recent reporting date)	NA
9.	Par value of instrument	NA
10.	Accounting classification	NA
11.	Original date of issuance	NA
12.	Perpetual or dated	NA
13.	Original maturity date	NA
14.	Issuer call subject to prior supervisory approval	NA
15.	Optional call date, contingent call dates and redemption amount	NA
16.	Subsequent call dates, if applicable	NA
	Coupons/dividends	
17.	Fixed or floating dividend/coupon	NA
18.	Coupon rate and any related index	NA
19.	Existence of a dividend stopper	NA
20.	Fully discretionary, partially discretionary or mandatory	NA
21.	Existence of step up or other incentive to redeem	NA
22.	Noncumulative or cumulative	NA

Disclosure template for main features of regulatory capital instruments		
23.	Convertible or non-convertible	NA
24.	If convertible, conversion trigger(s)	NA
25.	If convertible, fully or partially	NA
26.	If convertible, conversion rate	NA
27.	If convertible, mandatory or optional conversion	NA
28.	If convertible, specify instrument type convertible into	NA
29.	If convertible, specify issuer of instrument it converts into	NA
30.	Write-down feature	NA
31.	If write-down, write-down trigger(s)	NA
32.	If write-down, full or partial	NA
33.	If write-down, permanent or temporary	NA
34.	If temporary write-down, description of write-up mechanism	NA
35.	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to Instrument)	NA
36.	Non-compliant transitioned features	NA
37.	If yes, specify non-compliant features	NA

DF-14 Full Terms and Conditions of Regulatory Capital Instruments

Instruments	Full Terms and Conditions
NA	