

Basel III Pillar 3 Disclosure for the year ended 31st March 2015.

DF-1 Scope of Application

Qualitative Disclosure:

The disclosures and analysis provided herein below are in respect of the Bank Internasional Indonesia, Mumbai Branch ('BII') of PT Bank Internasional Indonesia TBK ("The Group") which is incorporated in Indonesia with limited liability. The disclosures herein below are solely in the context of local regulatory requirements and guidelines prescribed by the Reserve Bank of India (RBI) under Pillar 3- Market Discipline of the New Capital Adequacy Framework (commonly referred to as Basel III). The Pillar 3 disclosures are framed to complement the minimum capital requirements in Pillar 1 and the Supervisory Review and Evaluation Process in Pillar 2.

The Bank in India is a branch operation of PT BANK INTERNASIONAL INDONESIA TBK (incorporated in Indonesia with limited liability). It functions in line with Group principles and policies on risk management which are aligned to local regulations wherever required.

Quantitative Disclosure:

The Bank Internasional Indonesia operations in India are being managed by a single branch at Mumbai. The Mumbai branch has no subsidiaries, including those directly controlled / owned by its Group, which are subject to consolidation requirements under the capital adequacy framework or generally accepted accounting principles.

Capital Structure

Qualitative Disclosure

The Bank has Tier I capital and Tier II capital.

The composition of Tier I capital is as below.

- Interest free Capital funds injected by Head office.
- Statutory Reserves calculated at 25% of net profits of each year.

The composition of Tier II capital is as below.

- Provision on Standard Assets.

Quantitative Disclosure

The capital structure of the Bank is as under:

(Rs. In Crores)

Composition of Capital	As at 31st March 2015	As at 31st March 2014
Tier I Capital		
Interest Free Funds from HO	208.88	208.88
Statutory Reserves	5.32	5.29
Deductions		
Balance in P&L as per audited financial statements	29.01	29.08
Deferred Tax Assets	0.56	0.83
Intangible Assets	4.71	4.83

Net Tier I Capital	179.92	179.45
Tier II Capital		
General Provisions & Loss Reserves	0.35	0.21
Total Eligible Capital Base (Tier I + Tier II)	180.27	179.66

DF-2 Capital Adequacy

Qualitative Disclosure

The CRAR of the Bank is 133.59% as computed under Basel III norms. The ratio is higher than the minimum regulatory CRAR requirement of 9%.

As BII restarted operation in October 2013 and currently the capital adequacy is on the higher side as BII is building up assets slowly. BII capital management will be guided by the existing capital position, proposed growth and strategic direction. As BII grows there will be a requirement for increasing and continuing need to focus on the effective management of risk, and commensurate capital to bear that risk. BII carefully assesses its growth opportunities relative to the capital available to support them, particularly in the light of the economic environment and capital requirements under Basel II and Basel III applicable from April 2013. BII determines the level of reserves and capital that are required to anticipate risks, in accordance with risk calculation based on risk profile that is resulted from regular risk analysis and monitoring. The capital management process involves the following.

- Monitoring the regulatory capital and ensuring that minimum regulatory requirements and internal targets are met.
- Estimating the capital requirement based on forecasts and the strategic plan; and
- Reporting the regulatory capital situation to MANCO (Management Committee) on a regular basis.
- BII also has adopted an ICAAP (Internal Capital Adequacy Assessment Plan) approved by MANCO and same is reviewed on an annual basis. The policy calculates the level of capital required for next five years under the identified risk (Pillar I and residual risk) and the adopted business plan. The document also identifies various stress scenarios and its impact on projected capital adequacy.

Quantitative Disclosure (Rs. In Crores)

(Rs. In Crores)

Composition of Capital	As at 31st March 2015	As at 31st March 2014
Capital Requirements for Credit Risks		
Portfolios subject to standardized approach	113.88	87.16
Securitization exposures	-	-
Capital requirements for market risk		
Standardized duration approach		
• Interest rate risk	2.45	10.94
• Foreign exchange risk (including Gold)	6.25	5.99
• Equity risk	-	-
Capital requirements for operational risk		
Basic indicator approach	12.36	4.39

Total Capital ratio	133.59%	165.61%
Tier I Capital ratio	133.34%	165.42%

General Disclosure on Principle of Risk Management

BII fully recognizes the various risks associated with the banking business, which need to be identified, managed and consistently monitored as well as continually mitigated to minimize the impacts of risks. A lag in risk mitigation can lead to fatal consequences, conversely, promptness and accuracy in identifying and mitigating risks could provide a leeway for business development.

To accommodate banking trend and business growth, the various policies and guidelines of risk management is formulated to ensure that all business activities are managed in accordance with the principle of prudence. BII has put in the following policies which are in adherence to RBI guidelines and group's internal policies and risk appetite. These policies which are guiding principles for conducting BII business are as below.

- Credit Policy and Procedure
- Investment Policy
- FX Policy
- ALM Policy
- Trading Risk Management Framework
- Bank Wide Liquidity Risk Management Policy
- Policy on Managing Interest Rate Risk on Banking Book
- Liquidity Contingency Plan

BII has established three lines of defense principle in carrying out effective Risk Management efforts. The first line of defense is the Business Unit with responsibility to identify risks at early stage and conduct mitigation actions on risks. The second line of defense are risk management unit and compliance unit which are responsible for assessing risks of proposals and to formulate and monitor activities as well as business processes. The third line of defense is auditors and independent assurance by Head Office. The Management Committee (MANCO) of BII Mumbai has active oversight on the risk management. The Risk Management Committee meets at least once in every quarter or more often to assess the direction of risk and recommend to MANCO corrective steps to be taken to contain and mitigate risk. The risk management effort is also complemented by various committees like ALCO (Asset & Liability Management Committee), Credit Committee, Audit Committee etc. BII also adopts a Corporate Governance Framework with clear charter, responsibilities for each of these committees which are given in detail in later sections.

DF-3 Disclosures for Credit Risk

Qualitative Disclosures

Credit risk is the risk resulting from and impacting on the Bank's financial losses due to defaulting customers. Failure in managing the risk may result in losses of earning assets or even greater losses with more material adverse impacts to the Bank's financial position. The credit risk may arise from various functional activities of the Bank, such as risks arising from the provision of loans to customer, treasury and investment activities and trade financing.

BII has a Level 3 local credit policy and procedure which is in line with overall group Level I and Level II credit policy. The local credit policy sets out the rules and guidelines under which BII would develop and grow its lending business. The policy aims at maintaining a

robust system and processes to optimize the credit risk taking capability within group's broad objective of maximizing return which is commensurate with the risk taken. The credit policy defines the target market, no go segment, customer selection criteria, and customer selection process and customer eligibility assessment. BII also has defined the large credit exposure and single and group borrower limits within the ambit of RBI requirement. The policy also defines the various concentration limit on industry wise exposure, type of exposure, portfolio concentration etc. BII monitors these actively. The credit policy clearly defines the regulatory boundaries under which BII has to operate and also the group risk boundaries. BII also adopts Unhedged Foreign Currency Exposure management and Country Risk Management as advised by RBI. These policies provide guidance to the BII's Corporate Banking Group to manage the growth of their portfolio of customer assets in line with the Bank's credit culture and profitability objectives, taking into account the capital needed to support the growth.

BII adopts a Credit Committee approach for approval of all loan and investment proposals. The credit committee in India is headed by CEO India with representation from business and risk. Proposals beyond certain amount are approved by Credit Committee at Head Office subject to BII Mumbai credit committee recommendation. Loan proposals submitted by Business Unit that contain certain amounts both per debtor and per group are evaluated independently by Credit Risk Unit to assure that all risks are identified and mitigated. Credit Risk Unit provides recommendations to the related business units regarding the feasibility of the proposal and additional conditions if necessary. The credit risk unit has a separate reporting line from business and reports to the CEO.

The success in managing credit risk is achieved by applying credit cycle- starting from offering appropriate products, identifying suitable target market, carefully determining criteria of risk acceptance, implementing strong control in credit initiation and credit approval process and applying adequate portfolio monitoring, collection system and recovery practices. The credit policy and procedure clearly defines each of these elements and rigorously followed by BII.

BII has adopted an internal rating system of Head office. The internal rating base is developed by Head office based on their large portfolio experience and calculates a risk premium according to the profile of corporate customers based on the database of industry specific development during a certain period. The rating system throws out individual borrower rating (BRR) which takes into account the borrower management quality, financial soundness, operation efficiency and industry characteristic. The system also calculates a facility rating (FRR) based on type and tenor of facility, strength and recoverability of collateral. The combination of BRR and FRR gives a customer risk rating (CRR) which is associated with a probability of default (PD). Finally the same gives a measure of EAD (exposure at default). BII currently applies this method for internal use only to select and assess a credit. For reporting purpose BII applies standardized method taking external rating into account for approved agencies like CRISIL, CARE, ICRA and Fitch to determine risk based pricing. A risk based pricing grid linked to external rating and hurdle ROE is in place approved by MANCO and Head Office.

BII follows a standard operating process for disbursement and post approval conditions and the responsibility is with Credit Operations which has independent reporting from Risk and reports into Operations and Technology Head. The local credit policy and procedure clearly defines the responsibility and duties of Credit Operations adhering to maker and checker.

The Bank also adopts an approach of pro-active mechanisms to identify accounts which exhibit signs of concern and manage them, in order to ensure that the account performance

doesn't deteriorate further. The idea is to identify weaknesses in an account before the actual occurrence of default so that timely and adequate remedial measures can be taken to rehabilitate the account.

The various tools adopted include regular customer contact, monitoring conduct of accounts periodically, assessing macro level economic condition, judgmental assessment by the Relationship Manager and Credit officer on potential default in the account like the borrower will not be able to meet future repayment obligations etc. BII also uses various macro-economic and industry research report by renowned research agencies to monitor closely these developments and its impact on BII portfolio.

BII strictly adheres to the framework of RBI on Revitalising distressed assets and monitors the early alert and red flag signals very closely. BII regularly report customer SMA account status in Central Repository of Information on Large credit, maintained and published by RBI.

Another integral part of risk tools is strong portfolio MIS and analytics. This helps the BII to decide on future course of action and tweak the credit policy and processes to minimize risk.

Quantitative Disclosures

Analysis of credit risk exposures

(Rs. In Crores)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Gross Bank Credit Risk Exposure :		
Fund Based (Gross Advances)	191.45	52.00
Non Fund Based	15.55	-
Geographic distribution of exposures Domestic:		
Fund Based (Gross Advances)	191.45	52.00
Non Fund Based	15.55	-
Industry wise distribution of exposures		
Iron and Steel	54.00	25.00
Agriculture & Related Services	52.00	27.00
Plastic Industries	27.00	-
Textile Industries	74.00	-

Residual Maturity of Breakdown of Assets as on 31 Mar 2015

(Rs. In Crores)

Maturity Buckets	Loans & Advances	Investments	Deposits	Borrowings	F.C. Assets	F.C. Liabilities
Day 1	-	-	2.22	-	2.01	1.99
Day 2 to 7 Days	18.08	25.22	-	25.22	-	-
8 to 14 Days	2.38	24.49	-	-	-	-
15 to 28 days	3.33	4.00	-	-	-	-
29 days up to 3 months	34.21	32.50	0.85	-	-	-
Over 3 months upto 6 months	27.94	-	-	-	0.94	-
Over 6 months upto 1 year	-	-	-	0.94	-	0.94
Over 1 year upto 3 years	-	0.49	1.31	-	-	-
Over 3 years upto 5 years	-	-	-	-	-	-
Over 5 years	-	0.02	-	-	-	-
Total	85.93	86.72	4.39	26.16	2.95	2.93

Details of Non-Performing Assets

(Rs. In Crores)

Particulars	As at 31st March 2015	As at 31st March 2014
1 Amount of NPAs (Gross)	-	-
• Substandard	-	-
• Doubtful 1	-	-
• Doubtful 2	-	-
• Doubtful 3	-	-
• Loss	-	-
2 Net NPAs	-	-
3 NPA Ratios	-	-
• Net NPAs to Net Advances (%)	-	-
• Gross NPAs to Net Advances (%)	-	-
4 Movement of NPAs (Gross)	-	-
• Opening balance	-	-
• Additions during the year	-	-
• Reductions during the year	-	-
• Closing balance	-	-
5 Movement of Net NPAs	-	-
• Opening balance	-	-
• Additions during the year	-	-
• Reductions during the year	-	-
• Closing balance	-	-
	-	-
	-	-
	-	-
	-	-

6 Movement of provisions for NPAs (excluding provisions on standard assets)	-	-
• Opening balance	-	-
• Additions during the year	-	-
• Reductions during the year	-	-
• Closing balance	-	-
7 Amount of non-performing investments	-	-
8 Amount of provisions held for non-performing investments	-	-
9 Movement of provisions for depreciation	-	-
• Opening balance		
• Additions during the year		
• Reductions during the year		
• Closing balance		

DF-4 Credit Risk - Disclosures for Portfolios Subject to the Standardized Approach

Qualitative Disclosures

Currently BII uses Standardized Approach for Credit Risk. BII endeavors to get the exposures rated from one of the external rating agency as approved by RBI namely CRISIL, CARE, Fitch India, ICRA, S&P, Moody's and Fitch. For assets with contractual maturity of more than one year, BII will be assigning long term bank loan rating given by the above mentioned rating agencies.

Quantitative Disclosures

Categorization of Advances classified on the basis of Risk Weight age is provided below:

Particulars	31 Mar 2015	31st March 14
< 100 % Risk Weight	-	-
100 % Risk Weight	85.93	51.45
> 100 % Risk Weight	-	-
Total	85.93	51.45

DF-5 Credit Risk Mitigation - Disclosures for Standardized Approaches

Qualitative Disclosures

This is detailed in our Credit Risk Policy & Procedures. The policies are in line with RBI guidelines for credit risk mitigation and in accordance with Basel III regulations.

Quantitative Disclosures

As on 31st March 2015, the bank has not availed Credit Mitigation Techniques.

DF-6 Securitization

BII has not entered into any securitization transaction during the current year.

DF-7 Disclosure on Market Risk in Trading Book

Qualitative Disclosures

Market risk is the risk where the fair value or future cash flows of financial instruments will fluctuate due to changes of market variables such as: interest rate, foreign exchange, equity and commodity prices. Market price is inherent in the BII's entire portfolio including Trading Book and Banking Book. Management of market risk aims to minimize the impact of market variables volatility, including determining tolerance and risking limit.

Market and Operation Risk management is an independent unit from Treasury front office responsible to oversee the implementation of market risk management to support the role of Assets & Liabilities Committee (ALCO). This unit conducts regular evaluation and necessary updations on policies and procedures of market risk management so as to ensure their alignment with the recent condition and regulations. BII is following the standardized duration approach for calculating market risk on the following portfolios: Securities held under AFS categories & Forward foreign exchange contracts.

In the current year BII does not have a Trading Book and hence market risk on Banking Book only arises. BII investment is only in Treasury Bills which are categorized as AFS and not marked to market as per RBI regulation. Risk Management and reporting is based on parameters such as Modified duration, Maximum permissible exposures, Funds Cash Flow Limits, Net Open Position limits, Aggregate Gap Limits etc. The Bank does not have any exposure to Capital Markets.

Liquidity risk may arise when the Bank fails to meet its financial obligations to the customers or counterparties when due and with reasonable costs. The management of liquidity risk is critical as it poses significant impact to business continuity. BII consistently ensures that liquidity and funding requirements at present time and in the future are sufficiently met under normal and crisis period. BII being in its nascent stage of operation does not have depositors and source of fund is capital and borrowing. BII reports its liquidity position and gap in various buckets to RBI on a fortnightly basis. BII also has a Bank Wide Liquidity Risk Management Policy in line with the group policies to manage liquidity. To strengthen the implementation of liquidity risk management, BII has established a liquidity contingency plan which triggers on specific instances and is carried out to ensure BII's preparedness to address liquidity crisis.

Quantitative Disclosures

Capital Requirement for Market Risk

Particulars	(Rs. in Crores)	
	As at 31st March 2015	As at 31st March 2014
Capital requirement for market risk		
Standardized duration approach		
• Interest rate risk	2.45	10.94
• Foreign exchange risk (including Gold)	6.25	5.99
• Equity risk		-

DF-8 Disclosure on Operational Risk

Qualitative Disclosures

Operational Risk is the risk of loss resulting from inadequate or failure of internal process, people or systems or external factors. Operational risk management is the process to systematically identify the underlying causes of failures in the day to day operational activities of an organization, assessing the risk of loss and appropriate actions to minimize the impact.

BII has well defined product programs and standard operating process (SOPs) for each activity and products to ensure the process are well documented. The product program and SOPs take into account the associated risks in each process and mitigation in line with the group control requirements. BII also has a Business Continuity Plan and Disaster Recovery Site and drills have been conducted to ensure minimal disruption of critical services within maximum tolerable downtime so as to ensure the continuity of services to customers. BII has a well-documented policies and procedures for product governance, outsourcing services, operations processes and risk management. Each operations unit maintains a DCFC (Daily Control Function Checklist) and the same is reviewed by senior management periodically. The process and controls include the four eye principle to ensure and maker and checker.

BII also follows a well-documented delegation of authority for the operation function and has clearly defined reporting line and comprehensive MIS for monitoring the reporting risks.

BII has also defined the RCSA (Risk Control Self-Assessment) for each department and identified vulnerable area and working on the same to strengthen it. The RCSA is made in line with group wide policies and incidence reporting management is automated and reported to HO as when occurs.

Information technology/security risk is also well managed. All operations are automated on advanced computer systems that run with speed and accuracy. The Bank also has its Business Continuity and Disaster Recovery plans and arrangements in place, which are tested periodically. BII is also in the process of automating its regulatory reporting and NPA management. BII has a well-documented KYC-AML policy within the RBI mandate and group requirement and the same is adhered to meteorically. BII is in the process of implementing an Automated KYC/ AML system for better monitoring of compliance risk. BII has put in place an Anti-Fraud policy and implemented across functions.

An independent assurance of operation risk is done through concurrent auditor and operation risk manager. BII had a Nil loss arising out of operational risk last year.

It is possible that the nature and level of operational risk changes rapidly in response to the changes of people behavior, organizational structure, process, system and other external factors. Hence continuous analysis and risk monitoring activities as well as the dynamic of control effectiveness are fundamental to achieve effective operational risk management. To facilitate the process BII including head office regularly updates the key operational risk management tools as part of the development of effective operational risk management.

Quantitative Disclosures

Capital for Operational risk is calculated as per Basic Indicator Approach as mandated by RBI shown below.

(Rs. In Crores)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Basic Indicator Approach	12.36	4.39

DF-9 Interest Rate Risk in the Banking Book (IRRBB)**Qualitative Disclosures**

Interest rate risk in banking book (IRRBB) is managed through ALM Policy and established prudential limits based on the Bank's risk appetite as approved by BII Mumbai ALCO and Head Office. At present the interest rate risk exposure mainly arises from Treasury Bills investment portfolio. The interest rate risk in the investment portfolio is measured by employing Modified Duration method which aims to calculate the change in value of security to interest rate sensitivities. In order to manage and mitigate the interest rate risk, Modified Duration limit as sanctioned by ALCO is accordingly observed and all investments are presently held till maturity although the Treasury Bills are classified under AFS. In case BII decides to sell the same ALCO's approval shall be obtained. To complement the measurement under normal condition, stress test to measure the impact of parallel change in interest rate on investments portfolio are also undertaken. The impact of 1% change in interest rate on Treasury Bills Investment Yield is given below.

Quantitative Disclosures

(Rs. In Crores)

Portfolio as at 31 st March, 2015	Notional Amount	Market Value	Impact
HFT	-	-	-
AFS	86.72	-	0.23
HTM	-	-	-

DF-10 General Disclosures for Exposures Related to Counterparty Credit Risk**Counterparty exposure (derivative exposures)**

Counterparty Credit Risk (CCR) on banks is the risk of default by the counterparty towards settlement of the transaction before or at maturity.

BII has not entered any derivative contracts with counterparties.

Credit Limits for counter party credit exposure

Counterparty Credit Risk (CCR) Limits are approved based on guidelines outlined in the Bank's

Credit Policy and requirements of the counterparties. These limits are controlled and monitored by BII India on ongoing basis. The bank limits are reviewed periodically.

Credit Exposures on Forward Contracts

BII has not entered any forward contracts with counterparties.

Other Risk

BII also monitors the following residual risks as part of the ICAAP document

- Credit Residual Risk
- Credit Concentration Residual Risk
- Reputation Risk
- Strategic Risk

BII has a stress testing policy which is reviewed annually and stress the portfolio on various risk like Credit Risk, Liquidity Risk, IRRBB etc. The policy also defines various scenario testing and its possible impact on capital.

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)

In Crs

	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)	208.88	-	a1
2	Retained earnings	(29.01)	-	d1
3	Accumulated other comprehensive income (and other reserves)	5.32	-	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	185.19	-	a1+d1 +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)	(4.71)	-	c1
10	Deferred tax assets	(0.56)	-	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	-	-	
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	-	-	
26d	of which : Unamortised pension funds expenditures	-	-	
	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	(5.27)	-	c1+c2
29	Common Equity Tier 1 capital (CET1)	179.93	-	
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	-	-	
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	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-	-	
41b	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)	179.93		
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 (Please refer to Note to Template Point 50)	0.34	-	b1
51	Tier 2 capital before regulatory adjustments	0.34		
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)	0.34	-	

58a	Tier 2 capital reckoned for capital adequacy	0.34	-	b1
58b	Excess Additional Tier 1 capital reckoned as Tier 2 capital		-	
58c	Total Tier 2 capital admissible for capital adequacy (58a + 58b)	0.34	-	
59	Total capital (TC = T1 + Admissible T2) (45 + 58c)	180.27	-	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment	-	-	
60	Total risk weighted assets (60a + 60b + 60c)	134.94	-	
60a	of which : total credit risk weighted assets	113.88	-	
60b	of which : total market risk weighted assets	8.70	-	
60c	of which : total operational risk weighted assets	12.36	-	
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	133.34%	-	
62	Tier 1 (as a percentage of risk weighted assets)	133.34%	-	
63	Total capital (as a percentage of risk weighted assets)	133.59%	-	
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)	-	-	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	-	-	
71	National total capital minimum ratio (if different from Basel III minimum)	-	-	
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)				
–	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)	–	–	

Note to the template		
Row No. of the template	Particular	Rs. in Crs
10	Deferred tax assets associated with accumulated losses	–
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	0.56
	Total as indicated in row 10	0.56
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 row 44 and admissible Additional between Additional Tier 1 capital as reported in 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	–
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	–
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)	–

DF-12 Composition of Capital – Reconciliation Requirements

Step 1- The Scope of regulatory consolidation and accounting consolidation is identical.
Accordingly the step 1 of the reconciliation is not required

Rs. In Crs				
	Particulars	Balance sheet as in financial statements As at 31 Mar 2015	Balance sheet under regulatory scope of consolidation As at 31 Mar 2015	Ref No
A	Capital & Liabilities			
I	Paid-up Capital	208.88	208.88	a1
	Reserves & Surplus	5.32	5.32	
	<i>Of which: Statutory Reserve</i>	5.32	5.32	a2
	Minority Interest	NA	NA	
	Total Capital	214.20	214.20	
II	Deposits	4.39	4.39	
	<i>of which: Deposits from banks</i>	3.31	3.31	
	<i>of which: Customer deposits</i>	1.08	1.08	
III	Borrowings	26.16	26.16	
	<i>of which: From RBI</i>	-	-	
	<i>of which: From banks</i>	0.94	0.94	
	<i>of which: From other institutions & agencies</i>	25.22	25.22	
	<i>of which: Others (Borrowing outside India)</i>	-	-	
	<i>of which: Capital instruments</i>	-	-	
IV	Other liabilities & provisions	5.01	5.01	
	<i>Of which: Provision for Standard Assets and Country Risk</i>	0.34	0.34	b1
	Total	249.76	249.76	
Assets				
I	Cash and balances with Reserve Bank of India	1.10	1.10	
	Balance with banks and money at call and short notice	31.22	31.22	
II	Investments:	86.72	86.72	
	<i>of which: Government securities</i>	86.72	86.72	
	<i>of which: Other approved securities of which: Shares</i>	-	-	
	<i>of which: Debentures & Bonds</i>	-	-	
	<i>of which: Subsidiaries/Joint Ventures/ Associates</i>	-	-	
	<i>of which: Others (Commercial Papers, Mutual Funds etc.)</i>	-	-	
III	Loans and advances	85.93	85.93	
	<i>of which: Loans and advances to</i>		-	

	<i>banks</i>	-		
	<i>of which: Loans and advances to customers</i>	85.93	85.93	
IV	Fixed assets	5.76	5.76	
	<i>Of which: Intangible (Software)</i>	4.71	4.71	c1
V	Other assets	10.02	10.02	
	<i>of which: Goodwill and intangible assets</i>	-	-	
	<i>of which: Deferred tax assets</i>	0.56	0.56	c2
VI	Goodwill on consolidation	-	-	
VII	Debit balance in Profit & Loss account	29.01	29.01	d1
	Total Assets	249.76	249.76	

Rs. In Crs

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	208.88	a1
2	Retained earnings	(29.01)	d1
3	Accumulated other comprehensive income (and other reserves)	5.32	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	185.19	-
7	Prudential valuation adjustments	-	-
8	Goodwill (net of related tax liability)	-	-
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	(4.71)	c1
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(0.56)	c2

11	Regulatory adjustments applied to Common Equity Tier 1 and Tier 2 to cover deductions		-
	Common Equity Tier 1 capital (CET1)	179.93	-

Table DF-13: Main Features of Regulatory Capital Instruments –No Capital instrument issued by Bank

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	NA
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 (Rs. in million, 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
17	Coupons / dividends	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
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

Table DF-14: Full Terms and Conditions of Regulatory Capital Instruments

Instruments	Full Terms and Conditions
No Capital instrument issued by Bank	-

Table DF-15: Disclosure Requirements for Remuneration

Compensation of Whole Time Directors/Chief Executive Officers/Risk takers and Control function staff, etc., the bank has submitted a declaration received from its Head Office to RBI to the effect that the compensation structure in India, including that of CEO's, is in conformity with the FSB principles and standards.

Pravin Batra
CEO – India

Place: Mumbai
Date: 24th June 2015