

DISCLOSURES UNDER THE NEW CAPITAL ADEQUACY FRAMEWORK (BASEL II GUIDELINES) FOR THE HALF YEAR ENDED 30 SEPTEMBER 2010

I) SCOPE OF APPLICATION

Quantitative Disclosures

(c) *The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation i.e. that are deducted and the name(s) of such subsidiaries*
Not applicable

(d) *The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk-weighted as well as their name, their country of incorporation or residence, the proportion of ownership interest and, if different, the proportion of voting power in these entities. In addition, indicate the quantitative impact on regulatory capital of using this method versus using the deduction.*
Not applicable

II) CAPITAL STRUCTURE

Quantitative Disclosures

		(Rs. in crores)
		Amount
(a)	Tier I Capital:	
	- Paid-up Share Capital	104.72
	- Reserves;	256.84
	- innovative instruments;	-
	- Other capital instruments;	-
	- Less -Deferred Tax Assets	2.52
	- Total Tier -I Capital	359.04
(b)	The total amount of Tier II capital (net of deductions from Tier II capital)	5.89
(c)	Debt Capital instruments eligible for inclusion in Upper Tier II capital	
	- Total amount outstanding	NIL
	- Of which amount raised during the current year	NIL
	- Amount eligible to be reckoned as capital funds	NIL
(d)	Subordinated debt eligible for inclusion in Lower Tier II capital	
	- Total amount outstanding	-
	- Of which amount raised during the current year	-
	- Amount eligible to be reckoned as capital funds	-
(e)	Other deductions from capital, if any.	-
(f)	Total Eligible Capital.	364.93

III) CAPITAL ADEQUACY

Quantitative Disclosures

A summary of Bank's capital requirement for credit, market and operational risk and the capital adequacy ratio as on 30 th September 2010 is presented below:

		(Rs. in crores)
		Amount
(a)	Capital requirements for credit risk:	
	- Portfolios subject to standardised approach	87.37
	- Securitisation exposures.	-
(b)	Capital requirements for Market risk:	
	- Standardised duration approach;	
	- Interest rate risk	1.87
	- Foreign exchange risk (including gold)	-
	- Equity risk	0.90
(c)	Capital requirements for Operational risk:	
	- Basic indicator approach;	10.05
(d)	Total Capital Adequacy Ratio of the Bank (%)	32.78%
	Tier-1 Capital Adequacy Ratio of the Bank (%)	32.25%

IV) CREDIT RISK- GENERAL DISCLOSURES

Quantitative Disclosures

(b) Total gross credit risk exposures, Fund based and Non-fund based separately.

		(Rs. in crores)
Category		Amount
Fund Based		1,973.95
Advances		1,230.59
Investment in Banking book		416.00
All other Assets		327.36
Non-Fund Based *		89.27
Total		2,063.22

* Contingent liabilities excluding claims against bank not acknowledged as debts.

(c) Geographic distribution of exposure, Fund based & Non- fund based separately

				(Rs. in crores)
Category	Domestic	Overseas	Total	
Fund Based	1,973.95	-	1,973.95	
Non-Fund Based *	89.27	-	89.27	
Total	2,063.22	-	2,063.22	

* Contingent liabilities excluding claims against bank not acknowledged as debts.

(d) Industry type distribution of exposures -

(Rs. in crores)

Sr. No.	Industry Classification	Fund Based	Non Fund Based
1	Iron and steel	0.76	-
2	Other Metal and Metal Products	2.66	-
3	All engineering	8.04	0.35
3.1	Of which Electronics	0.29	-
4	Electricity	2.02	-
5	Cotton Textiles	10.75	-
6	Other Textiles	16.54	-
7	Food Processing	11.13	0.29
8	Vegetable Oil and Vanaspati	0.45	-
9	Paper and Paper Products	3.15	-
10	Rubber and Rubber Products	0.22	-
11	Chemicals, Dyes, Paints, etc.	30.39	10.92
11.1	Of which Drugs & Pharmaceuticals	22.78	7.34
12	Cement	0.38	-
13	Gems and Jewellery	1.12	-
14	Construction	7.22	3.08
15	Automobiles including trucks	0.59	2.80
16	Computer Software	0.89	-
17	Infrastructure	40.96	44.87
17.1	Of which Power	38.59	-
18	NBFC' s	47.81	-
19	Other Industries	112.95	26.96
20	Residual exposures to balance the total exposure	932.55	-
	Total	1,230.59	89.27

As on 30th September 2010 following industries have the exposure more than 5% of the total gross credit (funded & non-funded)

Sr. No.	Industry classification	Percentage of the total gross funded & non-funded credit
1	Infrastructure	6.50%

(e) Residual contractual maturity breakdown of assets,

(Rs. in crores)

Maturity bucket	Cash, balances with RBI and other banks	Investments	Advances	Other assets including fixed assets
1 day	24.75	5.20	40.60	3.94
2 to 7 days	4.75	4.52	45.62	0.20
8 to 14 days	9.37	9.99	64.59	0.64
15 to 28 days	11.61	9.98	40.51	0.22
29 days to 3 months	56.75	46.74	211.25	0.46
3 to 6 months	82.00	26.62	51.61	0.41
6 to 12 months	31.56	22.44	81.02	6.10
1 to 3 years	46.24	70.28	319.16	9.11
3 to 5 years	4.37	59.28	159.10	1.53
Over 5 years	1.52	278.75	200.35	31.80
Total	272.93	533.81	1,213.80	54.43

Non-Performing Assets (NPA) -

Rs. In Crores

(a)	Amount of NPAs (Gross)	29.66
	- Substandard	11.30
	- Doubtful 1	5.56
	- Doubtful 2	3.08
	- Doubtful 3	4.99
	- Loss	4.74
(b)	Net NPAs	12.88
(c)	NPA ratios	
	- Gross NPAs to gross advances	2.41%
	- Net NPAs to Net advances	1.06%
(d)	Movement of NPAs (Gross)	
	- Opening balance	29.29
	- Additions	4.02
	- Reductions	3.65
	- Closing balance	29.66
(e)	Movement of provisions for NPAs	
	- Opening balance	16.28
	- Provisions made during the period	3.18
	- Write-off	-
	- Write-back of excess provisions	2.68
	- Closing balance	16.78

NPI and movement of provision for depreciation of NPIs -

Rs. In Crores

(a)	Amount of Non- Performing Investments	2.29
(b)	Amount of provisions held for Non- Performing Investments	2.29
(c)	Movement of provisions for depreciation on investments	
	- Opening balance	1.37
	- Provisions made during the period	0.37
	- Write-off	-
	- Write-back of excess provisions	1.62
	- Closing balance	0.12

V) CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH

Quantitative Disclosures

For exposure amounts after risk mitigation subject to the standardised approach, amount of Bank's outstandings (rated and unrated) in the following three major risk buckets as well as those that are deducted;

(Rs. in crores)	
Particulars	Amount
- Below 100% risk weight	1,398.62
- 100% risk weight	631.37
- More than 100% risk weight	33.23
- Credit Risk Mitigants (CRM) Deducted	145.24

VI) CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDISED APPROACHES

Quantitative Disclosures

<i>(a) For each separately disclosed credit risk portfolio the total exposure (after, where applicable, on- or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts</i>	
<i>(b) For each separately disclosed portfolio the total exposure (after, where applicable, on- or off balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI)</i>	
1 Total Exposure (on and off balance sheet) covered by eligible financial collateral after application of haircuts	145.24
2 Total Exposure (on and off balance sheet) covered by guarantees / credit derivatives	NIL

VII) SECURITISATION EXPOSURES : DISCLOSURE FOR STANDARDISED APPROACH

Quantitative Disclosures : Banking Book

<i>(a) The total amount of exposures securitised by the bank;</i>
<i>(b) For exposures securitised losses recognised by the bank during the current period broken by the exposure type (e.g. Credit cards, housing loans, auto loans etc. detailed by underlying security);</i>
<i>(c) Amount of assets intended to be securitised within a year;</i>
<i>(d) Of (f), amount of assets originated within a year before securitisation;</i>
<i>(e) the total amount of exposures securitised (by exposure type) and unrecognised gain or losses on sale by exposure type;</i>
<i>(f) Aggregate amount of:</i>
<i>- on-balance sheet securitisation exposures retained or purchased broken down by exposure type and</i>
<i>- off-balance sheet securitisation exposures broken down by exposure type</i>
<i>(g) Aggregate amount of securitisation exposures retained or purchased and the associated capital charges, broken down between exposures and further broken down into different risk weight bands for each regulatory capital approach</i>
<i>- Exposures that have been deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type).</i>
Not applicable

Quantitative Disclosures : Trading book

(a) Aggregate amount of exposures securitised by the bank for which the bank has retained some exposures and which is subject to the market risk approach, by exposure type;
(b) Aggregate amount of : - on-balance sheet securitisation exposures retained or purchased broken down by exposure type; and - off-balance sheet securitisation exposures broken down by exposure type.
(c) Aggregate amount of securitisation exposures retained or purchased separately for: - securitisation exposures retained or purchased subject to Comprehensive Risk Measure for specific risk; and - securitisation exposures subject to the securitisation framework for specific risk broken down into different risk weight bands.
(d) Aggregate amount of: - the capital requirements for the securitisation exposures, subject to the securitisation framework broken down into different risk weight bands, and - securitisation exposures that are deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type).
Not applicable

VIII) MARKET RISK IN TRADING BOOK

Quantitative Disclosures

The Capital Requirement for :

Particulars	Rs. In Crores	
	Amount	of Capital required
- Interest Rate Risk	1.87	
- Equity Position Risk	0.91	
- Foreign Exchange Risk	-	

IX) OPERATIONAL RISK

Quantitative Disclosures

Not Applicable

X) INTEREST RATE RISK IN THE BANKING BOOK (IRRBB) -

Quantitative Disclosures

The increase (decline) in earnings and economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (where the turnover is more than 5% of the total turnover).

Earnings Perspective

(Rs. in crores)

Interest rate shock	Impact
At 1% change for 1 year	2.12
At 2% change for 1 year	4.24

Economic Value Perspective

(Rs. in crores)

Interest rate shock	Impact
200 basis point shock	25.36