

PILLAR 3 DISCLOSURES OF BASEL III AS ON 30.06.2026

RBI issued Basel III guidelines, applicable w.e.f. 01.04.2013 and at present with full implementation of Basel III guidelines. Minimum Total Capital Ratio (CRAR) plus CCB is 11.50%. Bank has maintained CRAR of 19.36% as on 30.06.2026 against Regulatory requirement of 11.50% (including CCB).

Basel III framework consists of three mutually reinforcing pillars:

- (i) Pillar 1: Minimum Capital Requirement (Credit Risk, Market Risk and Operational Risk)
- (ii) Pillar 2: Supervisory Review and Evaluation Process
- (iii) Pillar 3: Market Discipline

Market Discipline (Pillar 3) consists of set of disclosures on capital adequacy and risk management framework of Bank. These disclosures have been set out as under:

RISK MANAGEMENT

Risk taking is an integral part of the banking business. Banks assume various types of risks in its activities while providing different kinds of services based on its risk appetite. Each transaction that the Bank undertakes changes the risk profile of the Bank. In the normal course of business, a bank is exposed to various risks including Credit Risk, Market Risk, Operational Risk, Liquidity risk and others. The objective of risk management is not to prohibit or prevent risk taking activity, but to ensure that the risks are consciously taken with full knowledge, clear purpose and understanding so that it can be measured and mitigated. With a view to managing such risks efficiently and strengthening its risk management systems, the bank has put in place various risk management measures and practices which include policies, tools, techniques, monitoring mechanism and management information systems (MIS).

The Bank, on a continuous basis, aims at enhancing and maximizing the shareholder's value by achieving appropriate trade-off between risks and returns. The Bank's risk management objectives broadly cover proper identification, measurement, monitoring, control and mitigation of the risks with a view to enunciate the bank's overall risk philosophy. The risk management strategy adopted by the bank is based on an understanding of risks and the level of risk appetite of the bank. Bank's risk appetite is demonstrated broadly through prescription of risk limits & trigger points in bank's Risk Appetite Statement and ICAAP i.e., Internal Capital Adequacy Assessment Process.

The bank has set up appropriate risk management organization structure in the bank. Risk Management Committee of the Board (RMCB), a sub-committee of the Board, is constituted which is responsible for management of credit risk,

market risk, operational risk and other risks in the Bank. The bank has also constituted internal risk management committees namely Credit Risk Management Committee (CRMC) for managing credit risk, Asset Liability Management Committee (ALCO), Funds Committee for managing market risk, Operational Risk Management Committee (ORMC) and Product/Process Risk Mitigation Committee (PRMC) for managing operational risk, and Information Security Committee for managing Information security.

A full-fledged Risk Management department is functioning at the Bank's Central Office, independent of the business departments for implementing best risk management systems and practices in the bank. A Chief Risk Officer in the rank of General Manager of the bank oversees the department who is responsible for overall supervision on risk management in the bank and is the convener for all the internal risk management committees. The Mid-Office in Risk Management and Credit Support Services Dept. and other functional departments/ branches in general also carry out the risk management functions and monitor the adherence/compliance to policies, risk limit framework and internal approvals. Risk Managers have been placed at Regional Offices. Apart from coordinating with Risk Management Department, Central Office for submission of various MIS, they participate in Regional Level Credit Approval Committees.

The basic approach to manage risk more effectively lies with controlling the risk at the point of its origination. The bank had implemented the New Capital Adequacy Framework (Basel-II) with effect from 31.03.2008 and is in compliance with the framework, in line with the guidelines issued by the RBI from time to time. Basel III guidelines have been introduced from 01.04.2013, and bank is maintaining capital as per Basel III guidelines. The Basel-III Framework is based on three mutually reinforcing pillars. While the first pillar of the revised framework addresses the minimum capital requirement for credit, market and operational risks, the second pillar of supervisory review process ensures that the bank has adequate capital to address all the risks in their business commensurate with bank's risk profile and control environment. As per RBI guidelines, the Bank has put in place a Board approved framework on Internal Capital Adequacy Assessment Process (ICAAP) to address second pillar requirements. This framework aims at assessing all material risks to which the bank is exposed over and above the regulatory prescriptions under the first pillar risks and ensuring adequate capital structure to meet the requirements on an ongoing basis.

The bank has formulated a "Stress Testing framework" to assess the potential vulnerability of the organization to exceptional but plausible events in line with the

guidelines issued by RBI on 2nd December 2013. In addition to this bank has also formulated “Stress Testing Framework” based on EASE guidelines. Stress testing and scenario analysis, particularly in respect of the bank’s material risk exposure, enable identification of potential risks inherent in a portfolio at times of economic recession/downturn and accordingly suitable proactive steps are taken to address the same. In accordance with the policy prescriptions, the bank carries out various stress tests on bank’s balance sheet periodically and specific portfolios and places the reports to ALCO/ RMCB / Board.

Board approved Business Continuity Plan and Disaster Recovery plan is in place. The 3-way data centers have been implemented to facilitate Zero data loss, Multiple MPLS-VPN high bandwidth connections at all 3 data Centers and Central, Dual connectivity from different alternate providers and alternate media for branches have been established. Firewall and Intrusion detection systems have been implemented. A Security Operating Centre (SOC) has been established by the Information System Security Department to monitor and analyse the information security incidents to take corrective steps while IS Audit section takes care of the periodical Information Systems Audit of the Bank’s department and branches. The bank has fine-tuned the information security systems in accordance with RBI guidelines. Regular DR drills are being conducted every quarter. To ensure Network security, periodical Vulnerability assessment and Penetration testing exercise are conducted by external experts.

The Bank is also in the process of upgrading its risk management systems and procedure for migrating to the advanced approaches envisaged under Basel III framework.

The third pillar of Basel-III framework refers to market discipline. The purpose of market discipline is to complement the minimum capital requirements detailed under Pillar 1 and the supervisory review process detailed under Pillar 2. In this context and as guided by RBI a set of disclosure (both qualitative and quantitative) is published in DF 2, 3, 4, 17 and 18 (annexed) with regard to risk management in the bank, which will enable market participants to assess key pieces of information on the (a) Capital Adequacy (DF-2), (b) Credit Risk: General Disclosures for all banks (DF-3), (c) Credit Risk: Disclosures for Portfolios subject to the Standardized Approach (DF-4), (d) Summary Comparison of accounting assets vs Leverage Ratio exposure measure (DF 17) and (e) Leverage ratio common disclosure template (DF-18). This would also provide necessary information to the market participants to evaluate the performance of the bank in various parameters.

DF -2: CAPITAL ADEQUACY

Qualitative Disclosures:

(a) A summary discussion of the Bank's approach to assessing the adequacy of its capital to support current and future activities

Bank has a process for assessing its overall capital adequacy in relation to Bank's risk profile and a strategy for maintaining its capital levels. The Process provides an assurance that Bank has adequate capital to support all risks inherent to its business. Bank actively manages its capital to meet regulatory norms by considering available options of raising capital.

The Bank has put in place a framework on Internal Capital Adequacy Assessment Process (ICAAP) in consideration of the relevant risk factors of the bank as a measure towards adequacy of capital available to meet the residual risk as part of Pillar 2 requirements. In addition to the credit risk, market risk and operational risk prescribed under Pillar 1, the bank has analyzed its portfolio and assessed different material risks under Pillar 2 that are either partially covered or not covered under Pillar 1. The ICAAP details the capital planning process and carries out an assessment covering measurement, monitoring, internal controls, reporting, capital requirement and stress testing of the following Risks:

- | | |
|---------------------------------------|---------------------------------------|
| ➤ Rating Migration Risk/ Default Risk | ➤ Concentration Risk |
| ➤ Liquidity Risk | ➤ Interest Rate Risk |
| ➤ Reputational Risk | ➤ Model Risk |
| ➤ Strategic Risk | ➤ Compliance Risk |
| ➤ Residual Collateral Risk | ➤ Business Risk |
| ➤ Pension Obligation Risk | ➤ Technology Risk |
| ➤ Legal Risk | ➤ Outsourcing Risk |
| ➤ Country Risk | ➤ Settlement Risk |
| ➤ Key personnel Risk | ➤ Conduct Risk |
| ➤ Cyber Security Risk | ➤ Data Quality & Data Governance Risk |
| ➤ Artificial Intelligence Risk | ➤ Geopolitical Risk |
| ➤ Capital Risk | ➤ Overseas Centre Risk |
| ➤ Climate Change Risk | |

In terms of ICAAP, Bank has put in place appropriate mechanism to assess all the Material Risks.

The bank has formulated a "Stress Testing framework" to assess the potential vulnerability of the organization to exceptional but plausible events in line with the guidelines issued by RBI on 2nd December 2013. In addition to this bank has also formulated "Stress Testing Framework" based on EASE guidelines. Stress testing and scenario analysis, particularly in respect of the bank's material risk exposure,

enable identification of potential risks inherent in a portfolio at times of economic recession/downturn and accordingly suitable proactive steps are taken to address the same. In accordance with the policy prescriptions, the bank carries out various stress tests on bank's balance sheet periodically and specific portfolios and places the reports to appropriate committees.

Quantitative Disclosures

Capital Requirement

Bank's capital requirements have been computed using Standardized Approach for Credit Risk, Standardized Duration Method for Market Risk and Basic Indicator Approach for Operational Risk.

As on June 30, 2026, the Capital held by the bank is at 19.36% of the Total Risk Weighted Assets against the regulatory requirement of 11.50% including CCB:

	Rs in Crore
	As on 30.06.2026
(a) Capital requirements for Credit Risk	
• Portfolio subject to Standardized Approach	16,689.65
• Securitisation Exposures	0.00
(b) Capital requirements for Market Risk	
• Standardised Duration Approach	
➤ Interest Rate Risk	2.10
➤ Foreign Exchange Risk (including Gold)	20.89
➤ Equity Risk	129.61
c) Capital requirements for Operational Risk	
• Basic Indicator Approach	2,109.18
d) Common Equity Tier1, Tier 1 & Total Capital Ratio	
• Common Equity Tier-I Capital Ratio	16.88%
• Tier 1 Capital Ratio (Tier 1 CRAR)	16.88%
• Total Capital Ratio (CRAR)	19.36%

DF-3: CREDIT RISK: GENERAL DISCLOSURES

Qualitative Disclosures

a) The general qualitative disclosure requirement with respect to credit risk, including:

i) Definitions of past due and impaired assets (for accounting purposes)

Non-performing assets

An asset becomes non-performing when it ceases to generate income for the Bank. A non-performing Asset (NPA) is an advance where

- (i) Interest and/or instalment of principal remain 'overdue' for a period of more than 90 days in respect of a Term Loan.
- (ii) The account remains 'out of order' for a period of more than 90 days, in respect of an Overdraft/Cash Credit (OD/CC).
- (iii) The bill remains 'overdue' for a period of more than 90 days in the case of bills purchased and discounted.
- (iv) Any amount to be received remains 'overdue' for a period of more than 90 days in respect of other accounts.
- (v) A loan granted for short duration crops is treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons and a loan granted for long duration crops is treated as NPA, if instalment of principal or interest thereon remains overdue for one crop season.
- (vi) An account would be classified as NPA only if the interest charged during any quarter is not serviced fully within 90 days from the end of the quarter.
- (vii) The amount of a liquidity facility remains outstanding for more than 90 days, in respect of securitization transactions undertaken in accordance with the RBI guidelines on securitization.
- (viii) In respect of derivative transactions, the overdue receivables representing the positive mark to market value of a derivative contract, remain unpaid for a period of 90 days from the specified due date for payment.

'Out of Order' status

An account is treated as 'out of order' if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power.

In cases where the outstanding balance in the principal operating account is less than the sanctioned limit/drawing power, but there are no credits continuously for 90 days as on the date of Bank's Balance Sheet, or where credits are not enough to cover the interest debited during the same period, such accounts are treated as 'out of order'.

‘Overdue’

Any amount due to the Bank under any credit facility is ‘overdue’ if it is not paid on the due date fixed by the Bank.

Resolution of Stressed Assets

Early identification and reporting of stress:

Identification of incipient stress in loan accounts, immediately on default*, by classifying stressed assets as special mention accounts (SMA) as per the following categories:

SMA Sub-categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue between
SMA-0	1-30 days
SMA-1	31-60 days
SMA-2	61-90 days

* Default' means non-payment of debt when whole or any part or instalment of the amount of debt has become due and payable and is not repaid by the debtor or the corporate debtor. For revolving facilities like cash credit, default would also mean, without prejudice to the above, the outstanding balance remaining continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than 30 days.

ii) Discussion of the Bank's Credit Risk Management Policy

Organizational Structure for Credit Risk Management

The bank has put in place a well-structured loan policy and credit risk management policy duly approved by Board. The policy document defines organizational structure, role and responsibilities and processes whereby the Credit Risk carried by the Bank can be identified, quantified and managed within the framework that the Bank considers consistent with its mandate and risk tolerance. The Board has formed committees to oversee risk management processes, procedures and systems. Risk Management Committee of the Board (RMCB), a sub-committee of the board, is constituted which is responsible for management of Credit Risk. Credit risk is monitored by the bank on a bank-wide basis and compliance with the risk limits approved by Board / RMCB is ensured.

Policy & Strategy

The bank has taken earnest steps to put in place best credit risk management practices in the bank. In addition to Loan Policy and Credit Risk Management Policy, the bank has also framed Interest Rate Policy on Advances, Funds and Investment Policy, Counter Party Risk Management Policy and Country Risk Management Policy, etc., which forms integral part of monitoring of credit risk

in the bank. Besides, the bank has implemented a policy on collateral management and credit risk mitigation which lays down the details of securities (both prime and collateral) normally accepted by the Bank and administration of such securities to protect the interest of the bank.

Credit Risk Management encompasses identification, assessment, measurement, monitoring and control of the credit risk in exposures. In the processes of identification and assessment of Credit Risk, the following functions are undertaken:

- (i) Developing and refining the Credit Risk Assessment (CRA) Models/Scoring Models to assess the Counterparty Risk, by taking into account the various risks categorized broadly into Financial, Business, Industrial and Management Risks, each of which is scored separately.
- (ii) Conducting industry research to give specific policy prescriptions and setting quantitative exposure parameters for handling portfolio in large / important industries, by issuing advisories on the general outlook for the Industries / Sectors, from time to time.
- (iii) Risk Analysis of the all the high values credit proposals are being carried out by Risk Management Department before placing it to Credit Sanctioning Committee.

The monitoring and control of Credit Risk includes setting up exposure limits to achieve a well-diversified portfolio across dimensions such as single borrower, group borrower and industries. For better risk management and avoidance of concentration of Credit Risks, internal guidelines on prudential exposure norms in respect of individual companies, group companies, Banks, individual borrowers, non-corporate entities, sensitive sectors such as capital market, real estate, sensitive commodities, etc., are in place. Credit Risk Stress Tests are conducted at Quarterly interval to identify vulnerable areas for initiating corrective action, where necessary.

Credit Rating and Appraisal Process:

The Bank manages its credit risk through continuous measuring and monitoring of risks at obligor (borrower) and portfolio level. The Bank has a robust internal credit rating framework and well-established standardized credit appraisal / approval process. Credit rating is a facilitating process that enables the bank to assess the inherent merits and demerits of a proposal. It is a decision-enabling tool that helps the bank to take a view on acceptability or otherwise of any credit proposal.

The rating models factor quantitative and qualitative attributes relating to Risk components such as Industry Risk, Business Risk, Management Risk, Financial Risk,

Project risk (where applicable) and Facility Risk etc. The data on industry risk is regularly updated and supported by CRISIL, based on market conditions.

Sanctioning Powers:

The bank follows a well-defined multi-layered discretionary power structure for sanction of loans and advances. Credit sanctioning at regional office and Central Office are happening through various committees. Specific Sanctioning Powers have been delegated to Branch Managers. RLPs have been created for sanctioning Retail Loans.

Checks and balances viz. separation of credit risk management from credit sanctions, system of assigning credit risk rating, validation of ratings, mechanism to price credit facilities depending on risk rating of customer, credit audit etc. are in place. Minimum entry level rating benchmarks are stipulated. A suitable mechanism is in place to monitor aggregate exposure on other banks and country exposures.

(Rs in Crores)

Quantitative Disclosures:				30.06.2026
b) Total gross credit risk exposures:				
Fund based				4,94,942.33
Non fund based				29,087.84
Total				5,24,030.17
c) Geographic distribution of exposures,				
• Domestic				
Fund based				3,05,998.98
Non-Fund based (LC & LG)				29,496.56
• Overseas				
Fund based				16,133.15
Non-Fund based (LC & LG)				1,377.02
d) Industry type distribution of exposures, fund based and non-fund based separately				(Rs. in Crore)
Industry Name	Fund Based Exposure	Non Fund Based Exposure	Investment Exposure	Total Exposure
Mining and quarrying	2746.64	1170.33	75.49	3992.45
Food Processing	3989.70	476.95	95.78	4562.43
Of which Sugar	509.27	2.80	95.78	607.85
Of which Edible Oils and Vanaspati	679.82	435.95	0.00	1115.77
Of which Tea	106.91	0.04	0.00	106.95
Beverages and Tobacco	1341.18	0.06	0.00	1341.24
Cotton Textiles	2095.48	107.38	0.00	2202.85
Jute Textiles	11.59	0.29	0.00	11.88

Quantitative Disclosures:				30.06.2026
Industry Name	Fund Based Exposure	Non Fund Based Exposure	Investment Exposure	Total Exposure
Handicraft/ Khadi (Non Priority)	178.80	15.41	0.00	194.21
Other Textiles	4677.60	339.53	0.00	5017.13
Leather and Leather Products	514.38	8.10	0.00	522.49
Wood and Wood Products	649.67	44.78	0.00	694.45
Paper and Paper Products	780.17	112.32	0.00	892.49
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	545.69	201.81	104.94	852.44
Chemicals and Chemical Products (Dyes, Paints, etc.,)	3268.59	981.67	0.00	4250.26
Of which Fertilisers	630.22	706.00	0.00	1336.22
Of Which Drugs and Pharmaceuticals	459.08	4.63	0.00	463.71
Of which Others	2179.28	271.04	0.00	2450.32
Rubber, Plastic and their products	1731.88	11.65	0.00	1743.53
Glass & Glassware	70.93	4.46	0.00	75.39
Cement and Cement Products	254.50	3.63	9.71	267.83
Iron and Steel	5593.23	518.91	50.56	6162.70
Other Metal and Metal Products	1978.44	73.46	15.93	2067.82
All Engineering	5380.42	1197.79	8.00	6586.20
Of which Electronics	1064.62	11.06	0.00	1075.67
Vehicles, Vehicle Parts and Transport Equipments	1802.33	1157.62	32.69	2992.64
Gems and Jewellery	1527.29	1.72	0.00	1529.01
Construction	1263.90	730.58	113.38	2107.85
Infrastructure	24094.26	2132.76	1333.45	27560.47
Of which Roadways	4779.18	639.75	0.00	5418.93
Of which Energy	14193.14	1404.32	479.94	16077.41
Of which Telecommunications	2863.40	1.97	3.27	2868.65
Other Industries	1689.83	1056.44	2.26	2748.53
Residuary Other Advances	309075.43	22498.92	25708.11	357282.47
Of which Aviation Sector	154.47	0.00	0.00	154.47
Total Loans and Advances	375261.93	32846.54	27550.29	435658.77

Quantitative Disclosures:		30.06.2026																								
➤ Details of Exposure to a particular industry, which is more than 5.00% of the gross credit exposure as computed above:																										
<table><tr><td>Industry</td><td>Percentage of gross credit exposure</td></tr><tr><td>Infrastructure</td><td>6.45%</td></tr></table>			Industry	Percentage of gross credit exposure	Infrastructure	6.45%																				
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e) Residual contractual maturity breakdown of assets																										
<table><tr><th>Particulars</th><th>Amount (Rs. in Crores)</th></tr><tr><td>Day 1</td><td>42,582.21</td></tr><tr><td>2 Days – 7 Days</td><td>5,834.67</td></tr><tr><td>8 Days – 14 Days</td><td>6,985.67</td></tr><tr><td>15 Days – 30 Days</td><td>8,260.62</td></tr><tr><td>31 Days – 2 Months</td><td>14,582.68</td></tr><tr><td>2 Months – 3 Months</td><td>16,032.36</td></tr><tr><td>3 Months – 6 Months</td><td>40,424.07</td></tr><tr><td>>6 Months – 12 Months</td><td>1,00,552.23</td></tr><tr><td>>1 Year – 3 Years</td><td>1,11,719.22</td></tr><tr><td>>3 Years – 5 Years</td><td>36,784.52</td></tr><tr><td>> 5 Years</td><td>98,386.24</td></tr></table>			Particulars	Amount (Rs. in Crores)	Day 1	42,582.21	2 Days – 7 Days	5,834.67	8 Days – 14 Days	6,985.67	15 Days – 30 Days	8,260.62	31 Days – 2 Months	14,582.68	2 Months – 3 Months	16,032.36	3 Months – 6 Months	40,424.07	>6 Months – 12 Months	1,00,552.23	>1 Year – 3 Years	1,11,719.22	>3 Years – 5 Years	36,784.52	> 5 Years	98,386.24
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> 5 Years	98,386.24																									
f) Amount of NPAs (Gross)		4,292.26																								
• Substandard		940.80																								
• Doubtful		2,208.81																								
a. D1		574.55																								
b. D2		621.30																								
c. D3		1,012.96																								
• Loss		1,142.65																								
g) Net NPAs		588.42																								
h) NPA Ratios																										
• Gross NPAs to gross advances		1.33%																								
• Net NPAs to net advances		0.18%																								
i) Movement of NPAs (Gross)																										
• Opening balance (01.04.2026)		4,409.66																								
• Additions		198.20																								
• Reductions		315.60																								
• Closing balance (30.06.2026)		4,292.26																								
j) Movement of provisions for NPAs																										
• Opening balance (01.04.2026)		3,665.23																								
• Provisions made during the period		105.54																								
• Write off / Write back of excess provisions		169.16																								
• Closing balance (30.06.2026)		3,601.61																								

Quantitative Disclosures:			30.06.2026
k) Amount of Non-Performing Investments			1,682.74
l) Amount of provision held for non-performing investments			1,682.74
m) Movement of provisions for depreciation on investments (Domestic)			
• Opening Balance (01.04.2026)			0.00
• Provisions made during the period			0.00
• Write-off / Write-back of excess provisions			0.00
• Closing Balance (30.06.2026)			0.00
n) By major industry or counterparty type:			
(Rs. in Crore)			
Industry Name	GROSS NPA AS ON 30.06.2026	GROSS PROVISION AS ON 30.06.2026	Write-offs - Q1 FY 2026-27
Basic Metal and Metal Products	124.07	97.42	4.52
Textiles	84.45	54.47	8.00
All Engineering	79.36	58.88	6.60
Leather and Leather products	75.56	46.41	0.66
Infrastructure (Pertaining to Industries Sector Only)	63.15	48.52	0.30
Chemicals and Chemical Products (Dyes, Paints, etc.)	45.86	34.73	1.09
Rubber, Plastic and their Products	39.36	35.77	0.57
Mining and Quarrying	38.78	36.30	1.50
Cement and Cement Products	14.74	8.13	0.81
Paper and Paper Products	13.86	8.50	1.53
o) Geographical Distribution of NPAs and General Provisions:			
(Rs. in Crore)			
Particulars	Gross NPA	General & Specific Provision	
Domestic	2892.61	2387.63	
Overseas	1399.65	1316.20	
Total	4292.26	3703.83	

DF-4: CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH

Qualitative Disclosure

(a) For Portfolios subject to Standardised Approach

- **Names of Credit Rating Agencies used, plus reasons for any changes**

As per RBI Guidelines, the Bank has identified CARE, CRISIL, ICRA, India Rating, ACUTE Ratings and Research and INFOMERICs (Domestic Credit Rating Agencies) and FITCH, Moody's and S&P (International Rating Agencies) as approved Rating Agencies, for the purpose of rating Domestic and Overseas Exposures respectively, whose ratings are used for the purpose of computing Risk-weighted Assets and Capital Charge.

- **Types of exposures for which each Agency is used**

- (i) For Exposures with a contractual maturity of less than or equal to one year (except Cash Credit, Overdraft and other Revolving Credits), Short-term Ratings given by approved Rating Agencies are used.
- (ii) For Cash Credit, Overdraft and other Revolving Credits (irrespective of the period) and for Term Loan exposures of over 1 year, Long Term Ratings are used.

- **Description of the process used to transfer Public Issue Ratings onto comparable assets in the Banking Book**

The key aspects of the Bank's external ratings application framework are as follows:

- All long term and short-term ratings assigned by the credit rating agencies specifically to the Bank's long term and short-term exposures respectively are considered by the Bank as issue specific ratings.
- Foreign sovereign and foreign bank exposures are risk-weighted based on issuer ratings assigned to them.
- The Bank ensures that the external rating of the facility/borrower has been reviewed at least once by the ECAI during the previous 15 months and is in force on the date of its application.
- Bank facility rating with the disclosure by the CRAs on the name of the bank and the corresponding credit facilities rated in the Press Releases (PR) issued on rating actions by the said CRA are only considered for Risk Weight purpose.
- Where multiple issuer ratings are assigned to an entity by various credit rating agencies, the risk weight is determined as follows:

- If there is only one rating by a chosen credit rating agency for a particular claim, then that rating is used to determine the risk weight of the claim.
- If there are two ratings accorded by chosen credit rating agencies, which map into different risk weights, the higher risk weight is applied.
- If there are three or more ratings accorded by chosen credit rating agencies with different risk weights, the ratings corresponding to the two lowest risk weights are referred to and the higher of those two risk weights is applied, i.e., the second lowest risk weight.

Quantitative Disclosures

Rs in Crores

Classification	Exposure Mitigation (EAM)	After	EAM Covered under External Rating	Unrated
Advances/Investment				
Below 100% Risk Weight		2,37,385.50	31,781.23	2,05,604.27
At 100% Risk Weight		35,083.44	11,879.27	23,204.17
More than 100% Risk Weight		36,109.32	3,402.00	32,707.32
Deducted		0.00	0.00	0.00
Total		3,08,578.26	47,062.50	3,33,515.76
Other Assets				
Below 100% Risk Weight		31,896.82	459.98	31,436.84
At 100% Risk Weight		12,300.54	9.59	12,290.95
More than 100% Risk Weight		0.15	0.15	0.00
Deducted		0.00	0.00	0.00
Total		44,197.51	469.72	43,727.79

DF 17- Summary comparison of accounting assets vs. leverage ratio exposure measure

	Items	Amount (Rs in Crores)
1	Total consolidated assets as per published financial statements	4,80,957
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	245
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0
4	Adjustments for derivative financial instruments	3,216
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	0
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	26,287
7	Other adjustments	7,116
8	Leverage ratio exposure (1-2-3+4+5+6+7)	5,17,331

DF-18: Leverage ratio common disclosure template

	Items	Rs in Crores
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	5,11,026
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	23,197
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	4,87,829
	Derivative exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	415
5	Add-on amounts for PFE associated with all derivatives transactions	2,801

6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	0
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	0
8	(Exempted CCP leg of client-cleared trade exposures)	0
9	Adjusted effective notional amount of written credit derivatives	0
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0
11	Total derivative exposures (sum of lines 4 to 10)	3,216
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	0
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0
14	CCR exposure for SFT assets	0
15	Agent transaction exposures	0
16	Total securities financing transaction exposures (sum of lines 12 to 15)	0
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	59,009
18	(Adjustments for conversion to credit equivalent amounts)	(32,722)
19	Off-balance sheet items (sum of lines 17 and 18)	26,287
	Capital and total exposures	
20	Tier 1 capital	36,081
21	Total exposures (sum of lines 3, 11, 16 and 19)	5,17,331
	Leverage ratio	
22	Basel III leverage ratio	6.97%