
Basel III- Pillar III Disclosures

September 30,2013



Basel III-Pillar III Disclosures

ADDITIONAL DISCLOSURES IN TERMS OF COMPLIANCE OF BASEL III REQUIREMENTS AS STIPULATED BY RBI

Table DF – 1

Scope of Application

Name of the head of the banking group to which the framework applies: **Indian Bank**

(i) Qualitative Disclosures:

a. List of group entities considered for consolidation

Name of the entity / Country of incorporation	Whether the entity is included under accounting scope of consolidation (yes / no)	Explain the method of consolidation	Whether the entity is included under regulatory scope of consolidation (yes / no)	Explain the method of consolidation	Explain the reasons for difference in the method of consolidation	Explain the reasons if consolidated under only one of the scopes of consolidation
IndBank Merchant Banking Services Ltd. (Subsidiary)	Yes	Consolidated in accordance with Accounting Standard 21- Consolidated Financial Statement	Yes	Consolidated in accordance with Accounting Standard 21- Consolidated Financial Statement	Not Applicable	Not Applicable
Ind Bank Housing Ltd (Subsidiary)	Yes	Consolidated in accordance with Accounting Standard 21- Consolidated Financial Statement	Yes	Consolidated in accordance with Accounting Standard 21- Consolidated Financial Statement	Not Applicable	Not Applicable

Name of the entity / Country of incorporation	Whether the entity is included under accounting scope of consolidation (yes / no)	Explain the method of consolidation	Whether the entity is included under regulatory scope of consolidation (yes / no)	Explain the method of consolidation	Explain the reasons for difference in the method of consolidation	Explain the reasons if consolidated under only one of the scopes of consolidation
Pallavan Grama Bank (Associates)	Yes	Consolidated under Equity Method in accordance with Accounting Standard 23- Consolidated Financial Statement	No	Not Applicable	Treated as associates	Risk weighted for capital adequacy purposes
Saptagiri Grameena Bank (Associates)	Yes	Consolidated under Equity Method in accordance with Accounting Standard 23- Consolidated Financial Statement	No	Not Applicable	Treated as associates	Risk weighted for capital adequacy purposes
Puduvai Bharathiar Grama Bank (Associates)	Yes	Consolidated under Equity Method in accordance with Accounting Standard 23- Consolidated Financial Statement	No	Not Applicable	Treated as associates	Risk weighted for capital adequacy purposes

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

Name of the entity / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity	Regulatory treatment of bank's investments in the capital instruments of the entity	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
NIL					

(ii) Quantitative Disclosures:

c. List of group entities considered for consolidation:

Name of the entity / country of incorporation (as indicated in (i)a. above)	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
IndBank Merchant Banking Services Ltd (India)	Merchant Banking services	443.78	506.64
Ind Bank Housing Ltd (India)	Housing Finance	100	1122.56

d. The aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation i.e. that are deducted:

Name of the subsidiaries / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity	Capital deficiencies
NIL				

e. The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk-weighted:

Name of the insurance entities / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity / proportion of voting power	Quantitative impact on regulatory capital of using risk weighting method versus using the full deduction method
NOT APPLICABLE				

f. Any restrictions or impediments on transfer of funds or regulatory capital with in the banking group:

There is no restriction or impediments on transfer of funds or regulatory capital within the banking group.

Table DF – 2: Capital Adequacy

Qualitative Disclosures:		
(a) Bank maintains at both solo and consolidated level CRAR of more than 9% and Common Equity Tier 1 CRAR of more than 5.5%.		
Quantitative disclosures		
(b) Capital requirements for credit risk: (₹ in Million)		
Particulars	Solo (Global)	Consolidated
Portfolios subject to standardized approach	75868.65	76010.32
Securitization exposures	Nil	Nil
(c)Capital requirements for market risk: Standardized duration approach (₹ in Million)		
Particulars	Solo (Global)	Consolidated
Interest Rate Risk	2191.68	2191.68
Foreign Exchange Risk (including gold)	45.00	45.00
Equity Risk	871.13	871.13
(d)Capital requirements for operational risk: (₹ in Million)		
Particulars	Solo (Global)	Consolidated
Basic Indicator Approach	7952.55	7970.98
(e)Common Equity Tier 1 (CET 1), Tier 1 and Total capital ratio:		
Particulars	Solo (Global)	Consolidated
Common Equity Tier 1 (CET 1),	10.28%	10.38%
Tier 1 Capital Adequacy Ratio	10.64%	10.74%
Total Capital Adequacy Ratio	12.82%	12.92%

Table DF – 3

Credit Risk: General disclosures for all banks

Qualitative Disclosures:

(a) Bank has adopted the definitions of the past due and impaired (for accounting purposes) as defined by the regulator for Income Recognition and Asset Classification norms.

The Bank has put in place the Credit Risk Management Policy and the same has been circulated to all the branches. The main objective of the policy is to ensure that the operations are in line with the expectation of the management and the strategies of the top management are translated into meaningful directions to the operational level. The Policy stipulates prudential limits on large credit exposures, standards for loan collateral, portfolio management, loan review mechanism, risk concentrations, risk monitoring and evaluation, provisioning and regulatory / legal compliance.

The Bank identifies the risks to which it is exposed and applies suitable techniques to measure, monitor and control these risks.

While the Board / Risk Management Committee of the Board devises the policy and fixes various credit risk exposures, Credit Risk Management Committee implements these policies and strategies approved by the Board / RMC, monitors credit risks on a bank wide basis and ensures compliance of risk limits.

The Bank studies the concentration risk by (a) fixing exposure limits for single and group borrowers (b) rating grade limits (c) industry wise exposure limits and (d) analyzing the geographical distribution of credit across the Zones. All the Zones are categorized under four segments namely North, South, East and West.

Bank considers rating of a borrowal account as an important tool to measure the credit risk associated with any borrower and accordingly implemented software driven rating/scoring models across all Branches/ Zonal Offices.

Quantitative Disclosures

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

(₹ in Million)

Particulars	Solo (Global)	Consolidated
Gross Credit Risk Exposures		
Fund Based		
Loans and Advances	1110710.65	1110770.52
Investments	365348.22	366519.15
Other Assets	160723.66	161044.65
Total Fund Based	1636782.53	1638334.32
Non Fund Based including contingent credit, contracts and derivatives	603891.43	604131.33
Total Credit Risk Exposure	2240673.96	2242465.65

(c) Geographic distribution of exposures (Consolidated), Fund based and Non-fund based separately

(₹ in Million)

Geographical Region	Fund Based	Non Fund Based including contingent credit, contracts and derivatives	Total
Overseas	100691.89	15988.54	116680.43
Domestic	1537642.43	588142.79	2125785.22
Total	1638334.32	604131.33	2242465.65

(d) Industry-wise distribution of exposures as on 30.09.2013

(₹ in Million)

S.No.	Name of the industry	Outstanding		Committed Exposure
		Fund Based	Non Fund Based	
1	Gems and Jewellery including Diamond	2103.90	258.07	3223.70
2	Infrastructure			
2.1	Power	121054.93	8043.28	147949.12
2.2	Ports / Roads	36580.47	1240.75	52329.56
2.3	Telecom	16310.31	1114.33	19312.15
2.4	Other infrastructure	13819.20	6342.50	36496.40
2.5	Educational Institution	25651.31	1304.47	34936.62
2.6	Hospital	4307.19	722.10	6340.80
2.7	Hotel	8405.72	1105.16	11736.70
3	Petroleum and Petroleum Products	53051.87	12968.00	84236.58
4	Textiles	38960.42	3800.12	59070.19
5	Sugar	6432.22	960.68	11319.24
6	Iron & Steel	38271.79	7327.29	59696.41
7	All Engineering	19825.56	25093.62	60592.11
8	Pharmaceuticals & Chemicals	8722.02	1531.92	11955.58
9	Food Processing (including Cashew, Edible Oils & Vanaspati)	15304.70	2396.34	26275.75
10	Colliery & Mining	2851.06	125.03	3405.84
11	Fertilizer	2296.18	2120.02	4760.90
12	Cement & Cement Products	12339.26	2283.82	19927.05
13	Leather & leather products	1267.37	595.28	2932.20
14	Electronics & Computers (Hardware & software)	7892.19	5587.89	15875.58
15	Tea / Coffee	893.89	0.00	1051.38
16	Construction contractors	14127.26	26006.74	57368.00
17	Rubber, Plastics and their products (including tyre)	6585.02	1396.51	10684.66
18	Automobiles (Vehicles, Vehicle Parts & Transport Equipments)	8827.97	7979.14	20900.91
19	Beverages and Tobacco	2840.84	57.46	4042.06
20	Wood and Wood Products	1718.89	1093.66	3462.81
21	Paper and Paper Products	5214.63	268.85	6085.63
22	Glass and Glassware	3033.56	303.52	4145.03
23	Other metal and metal products	6957.10	741.30	10601.20
24	Printing and Publishing	2531.58	703.01	4024.44
25	Aviation	5681.15	0.00	5681.15
26	Media and Entertainment	5463.55	4870.38	11692.43
27	Logistics	3072.81	2221.62	6651.82
28	Ship Building	958.61	2581.74	5536.30
29	Trade (Other than retail trade)	67255.24	11235.50	134283.19
30	NBFC	109044.43	785.28	120962.28

As on 30th September 2013, the Bank's exposure to the industries stated below was more than 5% of the total gross credit exposure:

Sl.No	Industry Classification	Percentage of the total gross credit exposure
1	Power	11.95 %
2	NBFC	9.45 %
3	Petroleum and Petroleum Products	6.58 %

(e) Residual contractual maturity break-up of advances and investments

(₹ in Million)

Details	1 Day	2-7 Days	8-14 Days	15-28 Days	29Days-3 M	>3M - 6 M	>6 M - 1 Year	>1 Y - 3Years	>3 Y - 5Years	>5 Years	Total
Advances	27956.76	23598.61	51166.53	36062.64	99269.68	67445.59	158805.02	332587.90	138629.03	157689.25	1093211
Investments*	2771.99	10173.38	10274.96	11187.31	41444.93	88817.22	65934.60	153096.53	63326.94	53292.11	500319.97
*Includes Repo(LAF) securities of ₹ 7522.80 Million and excludes 50% of listed equities of ₹. 2318.30 Million											

(₹ in Million)

(f)	Amount of NPAs (Gross) – (Solo-Global)	41793
	➤ Substandard	25444
	➤ Doubtful 1	12598
	➤ Doubtful 2	3509
	➤ Doubtful 3	156
	➤ Loss	87
(g)	Net NPAs	28039
(h)	NPA Ratios	
	➤ Gross NPAs to gross advances	3.76%
	➤ Net NPAs to net advances	2.56%
(i)	Movement of NPAs (Gross)	
	➤ Opening Balance	35654
	➤ Additions	13269
	➤ Reductions	7131
	➤ Closing Balance	41793
(j)	Movement of provisions for NPAs	
	➤ Opening Balance	10881
	➤ Provisions made during the period	4671
	➤ Write Off	3022
	➤ Write-back of excess provisions	140
	➤ Closing balance	12670
(k)	Amount of Non-Performing investments	14.78
(l)	Amount of Provisions held for non-performing investments	14.78
(m)	Movement of provisions for depreciation on investments	
	➤ Opening balance	2329.04
	➤ Provisions made during the period	1867.03
	➤ Write-off	0.00
	➤ Write-back of excess provisions	986.23
	➤ Closing balance	3209.84

Table DF – 4

Credit Risk: disclosures for portfolios subject to the standardized approach

Qualitative Disclosures:

(a)The Bank uses ratings assigned by the four Rating Agencies approved by the Reserve Bank of India namely a) CRISIL, b) ICRA, c) CARE, d)FITCH, e)BRICKWORKS and f) SMERA for the eligible exposures such as Corporate, Capital Market Exposures etc. according to the New Capital Adequacy Framework. Over and above the same, the Bank also relies on mapping of issue based external ratings as permitted in the regulatory guidelines. The rest of the claims on corporates are treated as 'unrated'.

Quantitative Disclosures:

(b)The total credit risk exposure (Solo-Global) bifurcated after the credit risk mitigation under Standardized Approach is as under:

(₹ in Million)

Solo (Global)	Book Value	Risk Weighted value
Below 100% Risk weight	1426712.20	261568.28
100% Risk weight	531591.47	361223.37
Above 100% Risk weight	282370.29	220193.30
Total	2240673.96	842984.96

Deduction from Capital: Investment in Subsidiaries: 242.56

The total credit risk exposure (Consolidated) bifurcated after the credit risk mitigation under Standardized Approach is as under:

(₹ in Million)

Consolidated	Book Value	Risk Weighted value
Below 100% Risk weight	1426909.67	261570.19
100% Risk weight	533185.69	362795.68
Above 100% Risk weight	282370.29	220193.30
Total	2242465.65	844559.18

Deduction from Capital: Investment in Subsidiaries: 242.56

Table DF – 5

Credit Risk Mitigation: disclosures for standardized approaches**Qualitative Disclosures**

The Bank has put in place Credit Risk Mitigation & Collateral Management Policy with the primary objective of a) Mitigation of credit risks & enhancing awareness on identification of appropriate collateral taking into account the spirit of Basel II/III / RBI guidelines and (b) Optimizing the benefit of credit risk mitigation in computation of capital charge as per approaches laid down in Basel II / RBI guidelines.

The Bank generally relies on Risk Mitigation techniques like Loan participation, Ceiling on Exposures, Escrow mechanism, Forward cover, higher margins, loan covenants, Collateral and insurance cover.

Valuation methodologies are detailed in the Credit Risk Management Policy.

Bank accepts guarantees from individuals with considerable networth and the Corporates. Only guarantees issued by entities with a lower risk weight than the counterparty shall be accepted to get the protection for the counter party exposure.

Concentration Risk in Credit Risk Mitigation: All types of securities eligible for mitigation are easily realizable financial securities. As such, presently no limit / ceiling has been prescribed to address the concentration risk in credit risk mitigants recognized by the Bank.

Quantitative Disclosures

For each separately disclosed credit risk portfolio (Solo-Global / Consolidated), the total exposure (after, where applicable, on- or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts:

(₹ in Million)

Type of Exposure	Eligible financial Collateral	Guarantees
Gross Credit Risk Exposures		
Fund Based		
Loans and Advances	181480.81	53338.24
Investments	0.00	362.71
Other Assets	4320.93	0.00
Total Fund Based	185801.74	53700.95
Non Fund Based including contingent credit, contracts and derivatives	18722.51	11.61
Total	204524.25	53712.56

Table DF – 6

Securitization: disclosure for standardized approach

Qualitative Disclosures: The Bank has not undertaken any securitization activity.	
Quantitative Disclosures:	NIL

Table DF – 7

Market risk in trading book

Qualitative Disclosures Market Risk in trading book is assessed as per the Standardized duration method. The capital charge for HFT and AFS is computed as per Reserve Bank of India prudential guidelines.	
Quantitative Disclosures: The capital requirements (Solo-Global / Consolidated) for:	
(₹ in Million)	
Interest rate risk	2191.68
Foreign exchange risk	45.00
Equity position risk	871.13

Table DF – 8

Operational Risk

Qualitative Disclosures Capital charge for Operational Risk is computed as per the Basic Indicator Approach. The average of the gross income, as defined in the New Capital Adequacy Framework guidelines, for the previous 3 years i.e. 2012-13, 2011-12 and 2010-11 is considered for computing the capital charge. The required capital is ₹ 795.26 Million (Solo-global) and ₹ 797.10 Million (Consolidated).

Table DF – 9**Interest Rate Risk in the Banking Book (IRRBB)****Qualitative Disclosures:**

Embedded Option Risk is studied and factored in the interest rate sensitivity analysis. Based on the interest rate sensitivity, interest rate risk in the Banking Book is studied on a quarterly basis. Earnings at Risk are computed based on the Traditional Gap Analysis on a static position. Market Value of Equity (MVE) is computed adopting the Duration Gap Analysis.

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 (Solo-Global).

- i) Earnings at Risk for 25 bps interest rate Increase as on 30.09.2013 for one year time horizon is ₹ (-) 121.73 Million
- ii) Change in Market Value of Equity for 200 bps interest rate shock is ₹(-) 2313.20 Million
(Repricing of BPLR/Base Rate in the 2nd time bucket)

DF-10: General Disclosure for exposures related to Counterparty Credit Risk:

The Bank sets limits as per the norms on exposure stipulated by RBI for both fund and non fund based facilities including derivatives. Limits are set as a percentage of the capital funds and are monitored on regular basis. The utilisation against specified limits is reported to the Credit Risk Management Committee/Risk Management Committee/Board on regular interval. The Bank currently does not assign economic capital for its counterparty credit exposures.

Bank has adopted Comprehensive Approach for collateral as per RBI guidelines, which allows fuller offset of collateral against exposures, by effectively reducing the exposure amount by the value ascribed to the collateral. Under this approach, Bank takes eligible collateral like fixed deposits, NSC, LIC policy, Jewels into account to reduce the credit exposure to a counterparty when calculating the capital requirements to take account of the risk mitigating effect of collateral. Credit risk mitigation is allowed only on an account-by account basis. The Bank has a policy framework through Credit Risk Management policy and Collateral Management Policy which stipulates the eligible credit risk mitigants and management.

All the Derivative transactions with the Counterparty are evaluated through Board approved Derivative Policy of the Bank.

The Bank does not recognize bilateral netting. The derivative exposure is calculated using Current Exposure Method (CEM) and the balance out standing as on September 30, 2013 is given below:

₹ Million

Derivatives	Notional Principle	Current Credit Exposure	Current Exposure
FORWARD CONTRACTS	237766.51	7067.63	11822.96
IRS	0.00	0.00	0.00

DF-11: Composition of Capital			(₹ in million)
Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)			Ref No.
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	11259.65	A=A1+A2
2	Retained earnings	1689.20	B5
3	Accumulated other comprehensive income (and other reserves)	90561.73	B1+B2+B3+B4
4	<i>Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)</i>	0.00	
	Public sector capital injections grandfathered until January 1, 2018	0.00	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	0.00	
6	Common Equity Tier 1 capital before regulatory adjustments	103510.58	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	0	
8	Goodwill (net of related tax liability)	0	
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	0	
10	Deferred tax assets	10.66	42.64
11	Cash-flow hedge reserve	0	
12	Shortfall of provisions to expected losses	0	
13	Securitisation gain on sale	0	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0	
15	Defined-benefit pension fund net assets	0	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	0	
17	Reciprocal cross-holdings in common equity	57.08	D
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)	0	
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)	0	
20	Mortgage servicing rights (amount above 10% threshold)	0	

21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0		
22	Amount exceeding the 15% threshold	0		
23	of which: significant investments in the common stock of financial entities	0		
24	of which: mortgage servicing rights	0		
25	of which: deferred tax assets arising from temporary differences	0		
26	National specific regulatory adjustments (26a+26b+26c+26d)			
26a	<i>of which:</i> Investments in the equity capital of the unconsolidated insurance subsidiaries	0		
26b	<i>of which:</i> Investments in the equity capital of unconsolidated non-financial subsidiaries	0		
26c	<i>of which:</i> Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	0		
26d	<i>of which:</i> Unamortised pension funds expenditures	2937.7	0	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	48.51	194.05	
	<i>of which: Total equity investment in other financial subsidiaries</i>	48.51	194.05	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0		
28	Total regulatory adjustments to Common equity Tier 1	3053.95		
29	Common Equity Tier 1 capital (CET1)	100456.63		
Additional Tier 1 capital: instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	0		
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	0		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	0		
33	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>	4000		E
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)	0		
35	<i>of which: instruments issued by subsidiaries subject to phase out</i>	0		
36	Additional Tier 1 capital before regulatory adjustments	4000		

Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	0		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	0		
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)	0		
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)	0		
41	National specific regulatory adjustments (41a+41b)	0		
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	0		
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	0		
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-BaseI III Treatment	539.67		
	<i>of which:</i> Phase out from ATI	400.00		
	<i>of which:</i> existing adjustments which are deducted from Tier 1 at 50%	97.03		
	<i>of which:</i> DTA	42.64		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	0		
43	Total regulatory adjustments to Additional Tier 1 capital	539.67		
44	Additional Tier 1 capital (AT1)	3460.33		
44a	Additional Tier 1 capital reckoned for capital adequacy¹¹	3460.33		
45	Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)	103916.96		
Tier 2 capital: instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0		
47	Directly issued capital instruments subject to phase out from Tier 2	10000		C1+C2
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)	0		
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	0		
50	Provisions	12194.36		C3+C4+C5
51	Tier 2 capital before regulatory adjustments	22194.36		

Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	0		
53	Reciprocal cross-holdings in Tier 2 instruments	0		
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)	0		
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0		
56	National specific regulatory adjustments (56a+56b)	0		
56a	<i>of which:</i> Investments in the Tier 2 capital of unconsolidated subsidiaries	0		
56b	<i>of which:</i> Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	0		
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	1097.03		
	<i>of which:</i> existing adjustments which are deducted from Tier 2 at 50%	97.03		
	<i>of which:</i> Phase out from Tier 2 Bonds	1000.00		
57	Total regulatory adjustments to Tier 2 capital	1097.03		
58	Tier 2 capital (T2)	21097.33		
58a	Tier 2 capital reckoned for capital adequacy	21097.33		
58b	Excess Additional Tier 1 capital reckoned as Tier 2 capital	0		
58c	Total Tier 2 capital admissible for capital adequacy (58a + 58b)	21097.33		
59	Total capital (TC = T1 + T2) (45 + 58c)	125014.29		
60	Total risk weighted assets (60a + 60b + 60c)	967656.82		
60a	<i>of which: total credit risk weighted assets</i>	844559.17		
60b	<i>of which: total market risk weighted assets</i>	34531.19		
60c	<i>of which: total operational risk weighted assets</i>	88566.46		
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	10.38%		
62	Tier 1 (as a percentage of risk weighted assets)	10.74%		
63	Total capital (as a percentage of risk weighted assets)	12.92%		

64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	4.50%		
65	<i>of which: capital conservation buffer requirement</i>	0.00%		
66	<i>of which: bank specific countercyclical buffer requirement</i>	0.00%		
67	<i>of which: G-SIB buffer requirement</i>	0.00%		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	5.88%		
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	0		
73	Significant investments in the common stock of financial entities	0		
74	Mortgage servicing rights (net of related tax liability)	0		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	0		
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)	7161.54		C4+C5
77	Cap on inclusion of provisions in Tier 2 under standardised approach (1.25% of Credit Risk RWA)	10556.99		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	Not Applicable		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	Not Applicable		
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)				
80	<i>Current cap on CET1 instruments subject to phase out arrangements</i>	Not Applicable		
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	Not Applicable		
82	<i>Current cap on AT1 instruments subject to phase out arrangements</i>	Not Applicable		

83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	Not Applicable		
84	Current cap on T2 instruments subject to phase out arrangements	Not Applicable		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	Not Applicable		

Notes to the Template		
Row No. of the template	Particular	(₹. in million)
10	Deferred tax assets associated with accumulated losses	
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	53.30
	Total as indicated in row 10	53.30
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	Not Applicable
	of which: Increase in Common Equity Tier 1 capital	Not Applicable
	of which: Increase in Additional Tier 1 capital	Not Applicable
	of which: Increase in Tier 2 capital	Not Applicable
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	Not Applicable
	(i) Increase in Common Equity Tier 1 capital	Not Applicable
	(ii) Increase in risk weighted assets	Not Applicable
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)	Not Applicable
	of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	Not Applicable
50	Eligible Provisions included in Tier 2 capital	7161.54
	Eligible Revaluation Reserves included in Tier 2 capital	5032.82
	Total of row 50	12194.36
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)	0

DF-12: Composition of Capital- Reconciliation Requirements -STEP 1			(₹. in million)
		Balance sheet as in financial statements (stand alone)	Balance sheet under regulatory scope of consolidation
		As on reporting date	As on reporting date
A	Capital & Liabilities		
i	Paid-up Capital	8297.70	8297.70
	Reserves & Surplus	117506.27	118948.39
	Minority Interest	0.00	144.40
	Total Capital	125803.97	127390.49
ii	Deposits	1526868.52	1526743.03
	<i>of which:</i> Deposits from banks	40104.85	39979.38
	<i>of which:</i> Customer deposits	1486763.67	1486763.67
	<i>of which:</i> Other deposits (pl. specify)	0.00	0.00
iii	Borrowings	42201.91	42201.91
	<i>of which:</i> From RBI	6200.00	6200.00
	<i>of which:</i> From banks	23052.25	23052.25
	<i>of which:</i> From other institutions & agencies	0.00	0.00
	<i>of which:</i> Others (pl. specify)	2039.59	2039.59
	<i>of which:</i> Capital instruments	10910.06	10910.06
iv	Other liabilities & provisions	52944.89	53035.64
	Total Liabilities	1747819.29	1749371.07
B	Assets		
i	Cash and balances with Reserve Bank of India	64120.40	64120.40
	Balance with banks and money at call and short notice	37123.04	37132.59
ii	Investments:	493944.49	495115.42
	<i>of which: Government securities</i>	387047.99	387047.99
	<i>of which: Other approved securities</i>	362.71	362.71
	<i>of which: Shares</i>	6131.58	7302.51
	<i>of which: Debentures & Bonds</i>	20699.66	20699.66
	<i>of which: Subsidiaries / Joint Ventures / Associates</i>	923.64	923.64
	<i>of which: Others (Commercial Papers, Mutual Funds etc.)</i>	78778.92	78778.92
iii	Loans and advances	1093151.14	1093211.01
	<i>of which:</i> Loans and advances to banks	5433.84	5433.84
	<i>of which:</i> Loans and advances to customers	1087717.30	1087777.17
iv	Fixed assets	16797.52	16859.00
v	Other assets	42682.71	42932.65
	<i>of which:</i> Goodwill and intangible assets	0.00	0.00
	<i>of which:</i> Deferred tax assets	1315.55	1315.55
vi	Goodwill on consolidation	0.00	0
vii	Debit balance in Profit & Loss account	0.00	0
	Total Assets	1747819.29	1749371.07

DF-12: Composition of Capital- Reconciliation Requirements-STEP 2			(₹. in million)	
		Balance sheet as in financial statements (stand alone)	Balance sheet under regulatory scope of consolidation	
		As on 30.09.2013	As on 30.09.2013	Reference
A	Capital & Liabilities			
i	Paid-up Capital	8297.70	8297.70	
	<i>of which:</i> Amount eligible for CET1	4297.70	4297.70	A1
	<i>of which:</i> Amount eligible for AT1	4000.00	4000.00	E
	Reserves & Surplus	117506.27	118948.39	
	Share Premium	6961.95	6961.95	A2
	Statutory Reserves	30397.58	30397.58	B1
	Capital Reserves	929.85	929.85	B2
	Special Reserves	5532.00	5532.00	
	<i>of which</i> special reserve net of Tax	3849.50	3849.50	B3
	Revenue Reserves	54967.61	55384.80	B4
	Revenue Reserves net of DTA	54967.61	55331.50	
	Profit and Loss account	7134.02	8212.25	
	<i>Of which :Profit and Loss account (@ the end Previous FY)</i>	902.48	1689.20	B5
	Minority Interest	0.00	144.40	
	<i>Of which considered for Capital funds</i>	0.00	0.00	
	Revaluation Reserve	11184.04	11184.04	
	<i>Revaluation Reserve (Part of Tier 2 capital @ discount of 55%)</i>	5032.82	5032.82	C3
	Investment Reserve	399.22	399.22	C4
	General Provisions	6762.32	6762.32	C5
	Total Capital	125803.97	127390.49	
	Deposits	1526868.52	1526743.03	
	<i>of which:</i> Deposits from banks	40104.85	39979.38	
ii	<i>of which:</i> Customer deposits	1486763.67	1486763.67	
	<i>of which:</i> Other deposits (pl. specify)			
iii	Borrowings	42201.91	42201.91	
	<i>of which:</i> From RBI	6200.00	6200.00	
	<i>of which:</i> From banks	23052.25	23052.25	
	<i>of which:</i> From other institutions & agencies	0.00	0.00	
	<i>of which:</i> Others (Cr balance in Mirror a/c Nostro Cr)	2039.59	2039.59	
	<i>of which:</i> Capital instruments	10910.06	10910.06	
	<i>Upper Tier II Instruments</i>	5000.00	5000.00	C1
	<i>Lower Tier II Instruments</i>	5000.00	5000.00	C2
	Other liabilities & provisions	52944.89	53035.64	
iv	<i>of which:</i> DTL	6795.29	6795.29	
	Total	1747819.29	1749371.07	
B	Assets			

i	Cash and balances with Reserve Bank of India	64120.40	64120.40	
	Balance with banks and money at call and short notice	37123.04	37132.59	
ii	Investments	493944.49	495115.42	
	<i>of which:</i> Government securities	387047.99	387047.99	
	<i>of which:</i> Other approved securities	362.71	362.71	
	<i>of which:</i> Shares	6131.58	7302.51	
	<i>of shares: Reciprocal cross holding in CET1 instruments</i>	57.08	57.08	D
	<i>of which:</i> Debentures & Bonds	20699.66	20699.66	
	<i>of which:</i> Subsidiaries / Joint Ventures / Associates	923.64	923.64	
	<i>of which:</i> Others (Commercial Papers, Mutual Funds etc.)	78778.92	78778.92	
iii	Loans and advances	1093151.14	1093211.01	
	<i>of which:</i> Loans and advances to banks	5433.84	5433.84	
	<i>of which:</i> Loans and advances to customers	1087717.30	1087777.17	
iv	Fixed assets	16797.52	16859.00	
v	Other assets	42682.71	42932.65	
	<i>of which:</i> Goodwill and intangible assets Out of which:	1315.55	1315.55	
	Goodwill	0.00	0.00	
	Other intangibles (excluding MSRs)	0.00	0.00	
	Deferred tax assets	1315.55	1315.55	
vi	Goodwill on consolidation	0.00	0.00	
vii	Debit balance in Profit & Loss account	0.00	0.00	
	Total Assets	1747819.29	1749371.07	

Extract of Basel III common disclosure template – Table DF-11 STEP 3

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	11259.65	A1+A2
2	Retained earnings	1689.2	B5
3	Accumulated other comprehensive income (and other reserves)	90561.73	B1+B2+B3+B4
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	0	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	0	
6	Common Equity Tier 1 capital before regulatory adjustments	103510.58	
7	Prudential valuation adjustments	0	
8	Goodwill (net of related tax liability)	0	

Table DF-13: Main Features of Regulatory Capital Instruments

Disclosure template for main features of regulatory capital instruments

1	Issuer	Indian Bank	Indian Bank	Indian Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE562A01011	PNCPS	INE562A09030
3	Governing law(s) of the instrument	Applicable Indian Laws and regulatory requirements	Applicable Indian Laws and regulatory requirements	Applicable Indian Laws and regulatory requirements
Regulatory treatment				
4	Transitional Basel III rules	Common Equity Tier 1	AT1	Tier 2
5	Post-transitional Basel III rules	Common Equity Tier 1	Ineligible	Ineligible
6	Eligible at solo/group/ group & solo	Group & Solo	Group & Solo	Group & Solo
7	Instrument type	Common Shares	Tier I	Lower Tier II (series II)
8	Amount recognised in regulatory capital (Rs. in million, as of 30.09.2013)	4297.7	3600	4500
9	Par value of instrument	Not Applicable	Not Applicable	5000
10	Accounting classification	Share holder's equity	Preference Capital	Liability
11	Original date of issuance	various dates	30/06/2009	28/06/2010
12	Perpetual or dated	Perpetual	Perpetual	Dated
13	Original maturity date	Not Applicable	Not Applicable	28/06/2020
14	Issuer call subject to prior supervisory approval	No	No	Yes
15	Optional call date, contingent call dates and redemption amount (₹ In Millions)	Not Applicable	Not Applicable	Call Option Date:Not Applicable Redemption Amount: 5000
16	Subsequent call dates, if applicable	Not Applicable	Not Applicable	Not Applicable
	<i>Coupons / dividends</i>	<i>Dividend</i>	<i>Coupon</i>	<i>Coupon</i>
17	Fixed or floating dividend/coupon	<i>Dividend</i>	<i>Coupon</i>	Fixed
18	Coupon rate and any related index	Not Applicable	9.00% pa	8.53% pa
19	Existence of a dividend stopper	Not Applicable	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Non Cumulative	Non Cumulative	Non Cumulative
23	Convertible or non-convertible	Not Applicable	Not Applicable	Non Convertible
24	If convertible, conversion trigger(s)	Not Applicable	Not Applicable	Not Applicable
25	If convertible, fully or partially	Not Applicable	Not Applicable	Not Applicable
26	If convertible, conversion rate	Not Applicable	Not Applicable	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable	Not Applicable	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable	Not Applicable	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable	Not Applicable	Not Applicable
30	Write-down feature	No	No	No
31	If write-down, write-down trigger(s)	Not Applicable	Not Applicable	Not Applicable

32	If write-down, full or partial	Not Applicable	Not Applicable	Not Applicable
33	If write-down, permanent or temporary	Not Applicable	Not Applicable	Not Applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable	Not Applicable	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not Applicable	Not Applicable	Subordinated to the claims of other creditors and depositors of the Bank
36	Non-compliant transitioned features	No	Yes	Yes
37	If yes, specify non-compliant features	Not Applicable	No loss absorbency features	No loss absorbency features

1	Issuer	Indian Bank	Indian Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE562A09048	INE562A09022
3	Governing law(s) of the instrument	Applicable Indian Laws and regulatory requirements	Applicable Indian Laws and regulatory requirements
	Regulatory treatment		
4	Transitional Basel III rules	Tier 2	Tier 2
5	Post-transitional Basel III rules	Ineligible	Ineligible
6	Eligible at solo/group/ group & solo	Group & Solo	Group & Solo
7	Instrument type	Upper Tier II (series III)	Tier II (series I Option II)
8	Amount recognised in regulatory capital (Rs. in million, as of 30.09.2013)	4500	0.00
9	Par value of instrument	5000	901.00
10	Accounting classification	Liability	Liability
11	Original date of issuance	16/07/2010	12/07/2004
12	Perpetual or dated	Dated	Dated
13	Original maturity date	16/07/2025	12/07/2014
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption amount (₹ In Millions)	Optional Call date:16/07/2020 Contingent Call dates: Not applicable Redemption amount:5000	Call Option Date: Not Applicable Redemption Amount:901.00
16	Subsequent call dates, if applicable	Not Applicable	Not Applicable
	<i>Coupons / dividends</i>	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	8.67% pa for first 10 years, If call not exercised: 9.17%	6.25% pa
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory

21	Existence of step up or other incentive to redeem	Yes step up by 50bps	No
22	Noncumulative or cumulative	Non Cumulative	Non Cumulative
23	Convertible or non-convertible	Non Convertible	Non Convertible
24	If convertible, conversion trigger(s)	Not Applicable	Not Applicable
25	If convertible, fully or partially	Not Applicable	Not Applicable
26	If convertible, conversion rate	Not Applicable	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable	Not Applicable
30	Write-down feature	No	No
31	If write-down, write-down trigger(s)	Not Applicable	Not Applicable
32	If write-down, full or partial	Not Applicable	Not Applicable
33	If write-down, permanent or temporary	Not Applicable	Not Applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to the claims of other creditors and depositors of the Bank	Subordinated to the claims of other creditors and depositors of the Bank
36	Non-compliant transitioned features	Yes	Yes
37	If yes, specify non-compliant features	No loss absorbency features	No loss absorbency features

Table DF-14: Full Terms and Conditions of Regulatory Capital Instruments**Terms and conditions for Upper Tier II Bond**

Security Description	8.67% Unsecured Redeemable Non-Convertible Subordinated Upper Tier II Bonds (Debt Capital Instruments) in the nature of Promissory Notes (Series III) of Rs.10,00,000 each aggregating to Rs.500 Crore)
Security offered through	Private Placement
Tax status	Not exempted from Tax
Date of opening of the issue	16/07/2010
Date of closing of the issue	16/07/2010
Series	Series III
ISIN Code	INE562A09048
Face Value per instrument	Rs.10,00,000
Paid up value per instrument	Rs.10,00,000
Issue Size	Rs.500 Crore
Date of allotment	16/07/2010
Date of maturity	16/07/2025
Amount to be matured	Rs.500 Crore
Coupon rate (fixed)	8.67% for the first 10 years. The rate will be stepped up by 50 basis points, in effect, the coupon rate on Bonds shall be 9.17% p.a from 11th year onwards, if call option not exercised by the Bank at the end of the 10th year from the date of allotment
Frequency of Interest	Annual and Non Cumulative
Interest due dates	16th July every year
First Interest Payment date	16th July 2011
Call Option	Call Option is available on bonds which may be exercised by the Bank at the end of 10th year from the date of allotment, subject to prior approval of RBI and in accordance with the applicable laws and regulation in effect at the time relating to among other things, Capital adequacy position of the Bank both at the time of and after exercise of the Call option, in whole but not in part. In case of exercise of Call option by the Bank, the Bank shall notify its intention to do so through a notice sent by registered post/ courier to the Bond holders, at least 30(thirty) days prior to the due date. The bonds shall a step-up options which shall be exercised only once during the whole life of the bonds, in conjunction with the Call option,
Call Option	

after the lapse of 10 years from the deemed date of allotment. The step-up shall be 50 bps, in effect, the coupon rate on bonds shall be stepped up to 9.17% p.a for subsequent years if call option is not exercised by the bank at the end of 10th year from the date of allotment.

Terms and conditions for Lower Tier II Bond

Security Description	8.53% Unsecured Redeemable Non-Convertible Subordinated Lower Tier II Bonds (Debt Capital Instruments) in the nature of Promissory Notes (Series II) of Rs.10,00,000 each aggregating to Rs.500 Crore)
Security offered through	Private Placement
Tax status	Not exempted from Tax
Date of opening of the issue	28/06/2010
Date of closing of the issue	28/06/2010
Series	Series II
ISIN Code	INE562A09030
Face Value per instrument	Rs.10,00,000
Paid up value per instrument	Rs.10,00,000
Issue Size	Rs.500 Crore
Date of allotment	28/06/2010
Date of maturity	28/06/2020
Amount to be matured	Rs.500 Crore
Coupon rate (fixed)	8.53%
Frequency of Interest	Annual and Non Cumulative
Interest due dates	28th June every year
First Interest Payment date	28th June 2011

Terms and conditions for Tier II Bond Series I Option II	
Security Description	6.25% Unsecured Redeemable Non-Convertible subordinated bonds in the form of promissory notes. Series I. Option II.
Security offered through	Private Placement
Tax status	Not exempted from Tax
Date of opening of the issue	12/07/2004
Date of closing of the issue	12/07/2004
Series	Series I
ISIN Code	INE562A09022
Face Value per instrument	Rs.10,00,000
Paid up value per instrument	Rs.10,00,000
Issue Size	Rs.90.10 Crore
Date of allotment	12/07/2004
Date of maturity	12/07/2014
Amount to be matured	Rs.90.10 Crore
Coupon rate (fixed)	6.25%
Frequency of Interest	Annual and Non Cumulative
Interest due dates	1st April Every Year
First Interest Payment date	1st April 2005