# Basel III - Pillar III Disclosures

December 31, 2021

## Table DF – 2: Capital Adequacy

**Assessment of Capital Adequacy:**

(a) Bank maintains capital to protect the interest of depositors, general creditors and stake holders against any unforeseen losses.
As per the RBI guidelines, Banks have to maintain a Minimum Common Equity Tier 1 (CET 1) of 8.00% (including Capital Conservation Buffer of 2.50%) and minimum CRAR of 11.50% (including Capital Conservation Buffer of 2.50%) effective from 1st October 2021. Bank maintains Common Equity Tier 1 (CET 1) of 11.38 % (Standalone), 11.66% (Consolidated) and CRAR of 15.47% (Standalone), 15.75 % (Consolidated).

(b) In line with RBI guidelines, Bank has adopted following risk management approaches for assessing the capital adequacy:

- **Credit Risk**: Standardised Approach
- **Market Risk**: Standardised Duration Approach
- **Operational Risk**: Basic Indicator Approach

(c) Bank projects capital for the next 5 financial years based on Board approved business plan, policy guidelines, macro-economic scenarios, risk appetite etc

(d) Under Pillar II, Bank considers following risks while assessing / planning capital:

| | |
|---|---|
| ▪ Credit Concentration Risk<br>▪ Interest Rate Risk in the Banking Book<br>▪ Liquidity Risk<br>▪ Settlement Risk<br>▪ Compliance Risk<br>▪ Reputational Risk<br>▪ Model Risk<br>▪ Country Risk<br>▪ Compensation Risk<br>▪ Legal Risk<br>▪ Group Risk<br>▪ Conduct Risk<br>▪ Risk of Securitisation<br>▪ Stress Credit Risk | ▪ Underestimation of Credit Risk under Standardised Approach<br>▪ Pension Obligation Risk<br>▪ Off-Balance sheet exposure Risk<br>▪ Technology Risk<br>▪ Outsourcing Risk<br>▪ Human Resources Risk<br>▪ Residual Risk<br>▪ Strategic Risk<br>▪ Un-hedged Foreign Currency Exposure Risk<br>▪ Climate Risk<br>▪ Cyber Risk |

(e) Bank also periodically undertakes stress testing in various risk areas to assess the impact of stressed scenario or plausible events on asset quality, liquidity, interest rate, derivatives and forex on its profitability and capital adequacy.

A comprehensive stress testing framework is put in place. Bank conducts stress test on quarterly basis based on scenarios prescribed by RBI as well as bank specific scenarios. The Bank has also conducted stress testing under Covid 19 pandemic to assess the plausible losses on Bank's balance sheet on account of the pandemic. The result of the same is placed to Credit Risk Management Committee (CRMC)/Risk Management Committee (RMC) /Board.

**Quantitative disclosures (as per Basel III guidelines)**

(a) Capital requirements for credit risk: (₹ in Million)

| Particulars | Standalone | Consolidated |
|---|---|---|
| Portfolios subject to standardized approach | 2,95,630.93 | 2,95,945.65 |
| Securitization exposures | -- | -- |

b) Capital requirements for market risk:

Standardized duration approach (₹ in Million)

| Particulars | Standalone | Consolidated |
|---|---|---|
| Interest Rate Risk | 12,555.05 | 12,555.05 |
| Foreign Exchange Risk (including gold) | 129.38 | 129.38 |
| Equity Risk | 4,626.32 | 4,793.36 |
| **Total** | 17,310.75 | 17,477.79 |

(c) Capital requirements for operational risk:

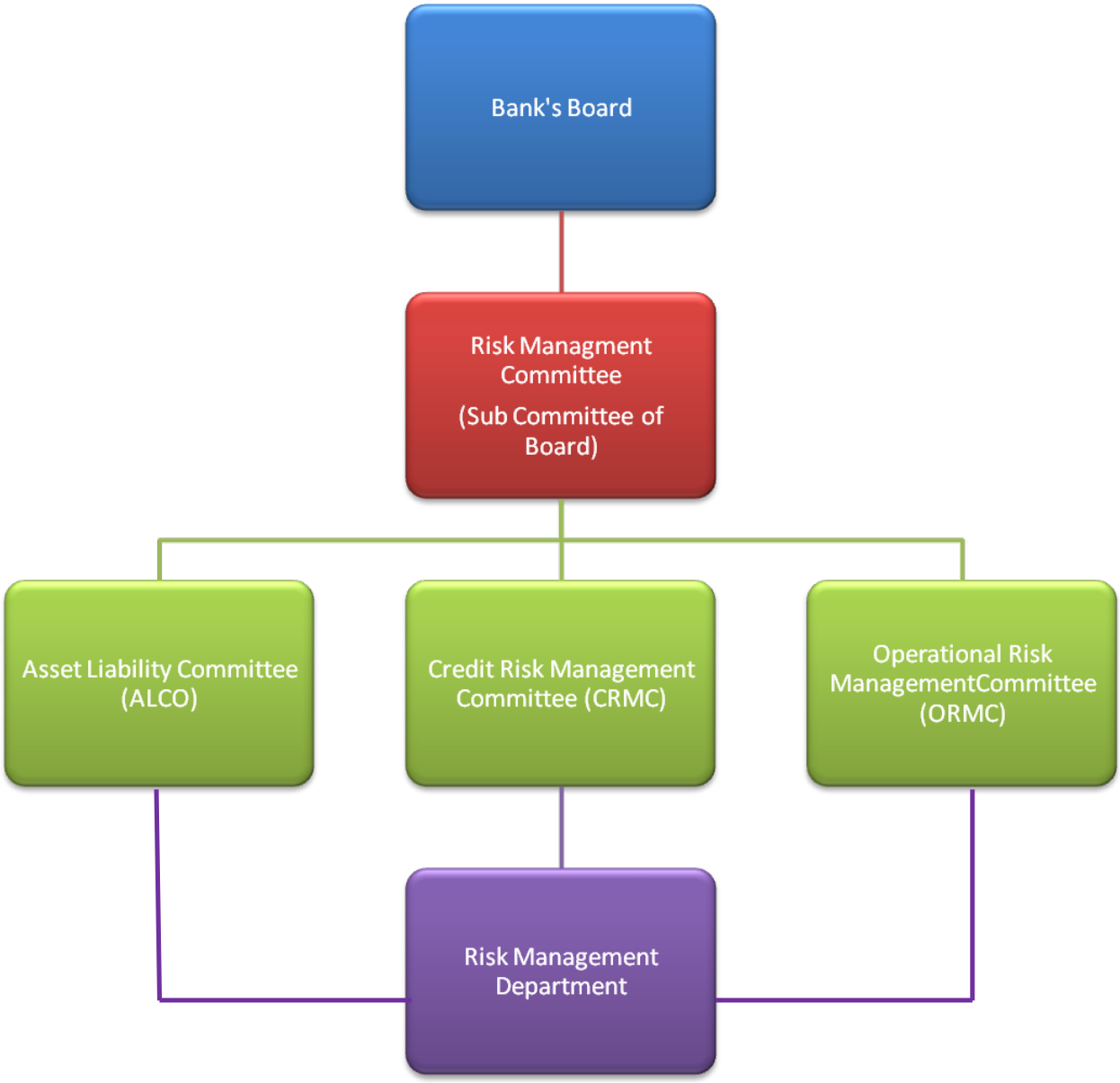
(₹ in Million)

| Particulars | Standalone | Consolidated |
|---|---|---|
| Basic Indicator Approach | 38,394.16 | 38,747.88 |

(d) Common Equity Tier 1 (CET 1), Tier 1 and Total capital ratio (as per Basel III guidelines):

| Particulars | Standalone | Consolidated |
|---|---|---|
| Common Equity Tier 1 (CET 1) | 11.38% | 11.66% |
| Tier 1 Capital Adequacy Ratio | 12.03% | 12.31% |
| Total Capital Adequacy Ratio | 15.47% | 15.75% |

**Organisation Structure:**



**Risk Management Architecture**:

Risk is an integral part of the banking business and the Bank aims to achieve an appropriate trade-off between risk and returns. To ensure sustainable and consistent growth, the Bank has developed a sound risk management framework. The Bank undertakes business activities within the defined risk appetite limits and policies approved by the Board of the Bank. The Board has also constituted a Risk Management Committee (RMC) which oversees the different type of risks.

The Bank has put in place various policies to manage the risks, viz. Integrated Risk Management Policy, Credit Risk Management Policy, Asset Liability Management Policy, Policy on Market Risk Management, Operational Risk Management Policy, Internal Capital Adequacy Assessment Process (ICAAP) Policy. All the policies are reviewed at a minimum on annual basis by Board.

The following specific committees have been constituted to facilitate focussed oversight on various risks.

(i) Asset Liability Committee (ALCO)
(ii) Credit Risk Management Committee (CRMC)
(iii) Operational Risk Management Committee (ORMC)

These committees work within the overall guidelines and policies approved by the Board.

**Credit Risk:**

Credit risk refers to the deterioration in the credit quality of the borrower adversely impacting the financial performance of the Bank. The losses incurred by the Bank in a credit transaction could be due to inability or wilful default of the borrower in honouring the financial commitments to the Bank.

Bank has put in place Risk Management System to identify the risks at an early stage and manage them by setting and monitoring prudential limits besides taking other corrective measures.

**Limit Framework:**

In order to manage the concentration risk, limit framework has been laid down for following type of exposures:

- Single and group borrower exposure
- Sensitive sector exposure
- Unsecured exposure
- Country-wise exposure
- Internal rating wise exposure
- Term loan exposure
- Industry-wise exposure
- Interbank exposure

These exposure limits are monitored on regular basis by various apex level committees of the Board.

**Credit Review Framework:**

Bank has adopted the Credit Review Framework, which involves credit risk assessment and risk categorisation of the credit proposals into Low risk / Medium risk / High risk / No-Go based upon quantified risk scoring matrices on analysing the risk factors along with subjective risk parameters. Based on Risk Score and Risk Categorization, Risk Advisory is issued to take risk based / informed credit decision at various Credit Committees.

**Rating and Scoring Model:** All credit proposals are subject to credit risk rating / scoring process to support credit decision making as well as to enhance risk management capabilities for portfolio management, pricing and risk based capital measurement. In order to ensure robustness of the rating models, the rating models have been subjected to validation by an external agency. The Bank has entry level scoring models for all the fresh sanctions coming under structured loan products and other loans which are not subjected to Rating Model.

**Loan review mechanism:** Loan review mechanism and Credit audit system are in place for the periodical review/audit of the large value accounts and bring about qualitative improvements in credit administration of the Bank. In addition, Standard Assets Monitoring Committee reviews the Special Mention Accounts periodically to initiate timely action to prevent slippage of standard assets to non performing assets. As a part of monitoring mechanism, accounts which are downgraded from investment category are identified and monitored closely.

**Asset Liability Management:**

Asset Liability Management framework facilitates bank to measure, monitor and control liquidity risk and interest rate risk on its balance sheet. This helps in providing suitable strategies for asset liability management. The asset liability management framework consists of the following key components

- Liquidity risk management
- Interest rate risk management
- Balance sheet and Basel III liquidity ratios
- Stress Testing and scenario analysis
- Contingency funding plan

Bank has set in place ALM policy to achieve two primary objectives as listed below:

Short Term Objective:

- To optimize the Net Interest Margin (NIM) of the Bank
- To provide adequate liquidity
- To manage re-pricing risk

Long Term Objective:

- To maximize the shareholder's wealth

Asset Liability Management is the function of Asset Liability Committee (ALCO). It operates under the guidance and supervision of the Board and/or Sub-Committee of Board on Risk Management. It meets at regular intervals to review the interest rate scenario, review of MCLR and Base Rate, liquidity position, product pricing for both deposits and advances, maturity profile of the assets and liabilities, demand for Bank funds, cash flows of the Bank and overall Balance Sheet Management.

Liquidity risk is measured and monitored through two approaches-Flow approach and Stock approach. Flow approach involves comprehensive tracking of cash flow mismatches and is done through preparation of Structural liquidity statement on a daily basis. Appropriate tolerance levels/prudential limits have been stipulated for mismatches in different time buckets. Under Stock Approach various balance sheet ratios are prescribed with appropriate limits. The compliance of ratios to the prescribed limits ensures that the Bank has managed its liquidity through appropriate diversification and kept it within the sustainable limit.

For measurement and monitoring of Interest rate risk, currency wise, both Traditional gap approach and Duration gap approaches are followed. The short-term impact of interest rate movements on NIM is worked out through “Earnings at Risk” approach taking into consideration Yield curve risk, Basis risk and Embedded Options Risk. The long-term impact of interest rate movements on Market Value of Equity is also worked out through Duration Gap approach. The monthly interest rate sensitivity statement is reviewed by ALCO and Quarterly interest rate sensitivity is reviewed by RMC.

Stress testing of liquidity risk and interest rate risk is conducted on regular interval as per the RBI defined and internally defined stress scenarios. The results from internal Liquidity stress testing are used to draw contingency funding plan under different liquidity stress scenarios.

In addition to the above, bank is computing Liquidity Coverage Ratio (LCR) on daily as per latest Regulatory guidelines and is using it for assessing Liquidity risk. On a monthly basis LCR statement is reviewed by ALCO.

**Market Risk Management:**

Market risk is the possibility of loss caused by adverse movements in the market variables. The Bank for International Settlements (BIS) defines market risk as "the risk that the value of 'on' or 'off' balance sheet positions will be adversely affected by movements in equity and interest rate markets, currency exchange rates and commodity prices". Thus, Market Risk is the risk to the bank's earnings and capital due to changes in the market level of interest rates or prices of securities, foreign exchange and equities, as well as the volatilities of those changes. The objective of market risk management is to assist the business units in maximizing the risk adjusted return by providing analytics driven inputs regarding market risk exposures, portfolio performance vis-à-vis risk exposures and comparable benchmarks. Following risks are managed under Market Risk.

- Interest Rate Risk
- Exchange Rate Risk
- Equity Price Risk

The market risk may also arise from changes in commodity prices and volatility. However, Bank does not have any exposure to commodity related markets.

**Market Risk Management (MRM) Framework**

a) **Risk Identification:** Setting a framework for identifying, assessing and managing market risk in order to provide clarity on various dimensions of risk identification and recognition to each of the business functions.

b) **Risk Measurement and Limits:** Bank recognizes that no single risk statistic can reflect all aspects of market risk. Therefore, various statistical and non-statistical risk measures are used to enhance the stability of risk measurement of market risk. Together, these risk measures provide a more comprehensive view of market risk exposure than any single measure. Market risk is managed with various metrics viz. Value at Risk (VaR), Earnings at Risk (EaR), Modified duration (MD), PV01 Limits, Net Overnight Open Position Limits (NOOPL), Individual Gap Limit (IGL) and Aggregate Gap Limit (AGL) currency wise and also through sensitivity analysis. Stress testing is also conducted on a regular basis to monitor the vulnerability of the bank to extreme but plausible unfavourable shocks.

c) **Risk Monitoring:** Bank monitors and controls its risk, using various internal and regulatory risk limits for trading book which are set based on economic scenario, business strategy, management experience and Bank's risk appetite. Rate scan is carried out to ensure that transactions are carried out at prevailing market rates.
**Risk Reporting:** Mid Office monitors treasury operations on day to day basis. A daily report and weekly summary note is placed to Chief Risk Officer and on monthly basis to ALCO. Stress testing is done for assessing market risk as per framework prescribed in Stress Test Policy and reported to ALCO on Quarterly basis.

Market risk management is governed by comprehensive board approved Policy on Market Risk Management and Stress Testing Policy to ensure that the risks spread across different activities carrying an underlying market risk are within the stipulated risk appetite of the bank. All the policies are benchmarked with industry-best practices and RBI regulations. The risk reporting mechanism in the Bank comprises disclosures and reporting to the various apex level committees.

**Operational Risk:**

Operational Risk (OR) is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The bank has put in place Operational Risk Management Frame work (ORMF) and Operational Risk Management systems (ORMS) to ensure effective governance, risk capture and assessment and quantification of operational risk. Operational risk is well managed by using appropriate qualitative & quantitative methods and established internal control systems in day to day management processes and adopting various risk mitigating strategies. The risk perceptions in various products / processes are critically analysed and corrective actions if required, are initiated.

Bank has implemented a web-based Operational Risk Management System to capture, measure, monitor and manage its operational risk. Bank has put in place frameworks for Risk Control Self Assessment (RCSA) and Key Risk Indicators (KRIs). Risk and control self-assessment is used to identify key operational risk and assess the degree of effectiveness of the internal controls.

Bank has been taking steps to strengthen the RCSA and KRI by reviewing and improving the coverage area for management of Operational risk.

# Table DF-3

## Credit Risk: General disclosures for all banks

**Qualitative Disclosures:**

**(a) Credit Risk Management:**

Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counterparties.

**Architecture:**

In adherence with various guidelines and leading industry practices, the Bank has set up a robust governance structure for the management of credit risk, ensuring an adequate oversight, monitoring and reporting. The framework establishes the responsibilities of the board of directors. The Bank has established a Board level sub-committee known as 'Risk Management Committee (RMC)' constituted in terms of RBI guidance note on Risk Management system.

**Risk Management Committee (RMC):**

The RMC evaluates overall risks faced by the Bank and is responsible for the establishment of an effective system to identify, measure, monitor, control and mitigate the risk.

The Board has delegated authority to the RMC for credit risk related responsibilities. The committee oversees credit risk management and ensures that the principal credit risks facing the Bank have been properly identified and are being appropriately managed. The committee approves and periodically reviews the overall risk appetite and credit risk management strategy. The committee reviews the risk management policies, the Bank's compliance with risk management guidelines stipulated by the RBI.

The risk committee also reviews credit risk profile and any major development, internal and external, and their impact on portfolio of the bank

**Credit Risk Management Committee (CRMC):** CRMC deals with the issues relating to credit policy and procedures, and analyzes, manages and controls credit risk on a bank wide basis.

**Loan Review Management Committee: (LRMC):** As a part of Credit risk management process, Loan Review Management Committee (LRMC), has been constituted to undertake review of borrowal accounts sanctioned by various Committees.

**Definitions of past due and impaired ( for accounting purpose)**

Bank has adopted the definitions of the past due and impaired (for accounting purposes) as defined by RBI for Income Recognition and Asset Classification norms. Further, in line with RBI guidelines, the moratorium period, wherever granted, is factored in for the purpose of asset classification.

The policy of the bank for classifying bank's loan assets is as under:

Non Performing Asset (NPA): A non performing asset (NPA) is a loan or an advance where:

- Interest and/ or installment of principal remain overdue for a period of more than 90 days in respect of a term loan,
- The account remains 'out of order' in respect of an Overdraft/Cash Credit (OD/CC)
- The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops
- The installment of principal or interest thereon remains overdue for one crop season for long duration crops

An OD/CC account is treated as **'out of order'** if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power for more than 90 days. 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 Balance Sheet or credits are not enough to cover the interest debited during the same period, these accounts are treated as **'out of order'**.
Non Performing Assets of the Bank is further classified in to three categories as under**:**

- **Sub standard Assets**

A sub standard asset is one which has remained NPA for a period less than or equal to 12 months.

- **Doubtful Assets**

An asset would be classified as doubtful if it has remained in the sub standard category for 12 months.

- **Loss Assets**

A loss asset is one where loss has been identified by the bank or by internal or external auditors or the RBI inspection.

**Credit Risk Management Policy:**

The Bank has put in place the Credit Risk Management Policy (part of Credit Policy) and the same has been ported on Bank's intranet. 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.

Bank considers rating of a borrower as an important tool to measure the credit risk associated with any borrower and accordingly implemented rating software.

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

(₹ in Million)

| Particulars | Standalone | Consolidated |
|---|---|---|
| Gross Credit Risk Exposures | | |
| Fund Based | | |
| Loans and Advances | 40,04,315.35 | 40,04,315.35 |
| Investments | 13,95,338.61 | 13,95,350.22 |
| Other Assets | 10,20,729.43 | 10,21,521.25 |
| **Total Fund Based** | **64,20,383.39** | **64,21,186.82** |
| Non Fund Based including contingent credit, contracts and derivatives* | 39,37,681.07 | 39,37,928.38 |
| **Total Credit Risk Exposure** | **1,03,58,064.46** | **1,03,59,115.19** |

*includes notional principles of derivatives exposures, fund based unavailed limits, LC, acceptances Guarantees

(c) Geographic distribution of credit risk exposures Fund based and Non-fund based (Standalone) separately

(₹ in Million)

| Geographical Region | Fund Based | Non Fund Based including contingent credit, contracts and derivatives | Total |
|---|---|---|---|
| Overseas | 1,73,166.02 | 49,182.58 | 2,22,348.60 |
| Domestic | 62,47,217.37 | 38,88,498.49 | 1,01,35,715.86 |
| **Total** | **64,20,383.39** | **39,37,681.07** | **1,03,58,064.46** |

(d) Industry-wise distribution of exposures (Standalone) as on 31.12.2021

(₹ in Million)

| | MAJOR INDUSTRIES/SECTORS | FB Exposure | NFB Exposure | Committed Exposure |
|---|---|---|---|---|
| 1 | **Chemicals & Chemical Products** | | | |
| 1.1 | Drugs and Pharmaceuticals | 11115.54 | 2866.43 | 13981.97 |
| 1.2 | Fertilizers | 11817.80 | 138.62 | 11956.41 |
| 1.3 | Other Chemicals & Chemical Products | 17791.91 | 7265.76 | 25057.67 |
| 2 | **Engineering** | | | |
| 2.1 | General Engineering Machinery and Goods | 44714.80 | 59635.72 | 104350.52 |
| 2.2 | Electrical Machinary and Goods | 10513.76 | 10227.04 | 20740.80 |
| 2.3 | Electronic Machinery,Goods and Software | 15659.38 | 8852.55 | 24511.93 |
| 3 | **Food Manufacturing and Processing** | | | |
| 3.1 | Edible oil and Vanaspati | 8940.65 | 31436.16 | 40376.81 |
| 3.2 | Rice Mills, Flour Mills and Dal Mills | 30267.88 | 4343.92 | 34611.81 |
| 3.3 | Sugar | 18893.89 | 222.82 | 19116.71 |
| 3.4 | Tea and Coffee | 4760.54 | 113.94 | 4874.48 |
| 3.5 | Other Food Manufacturing and Processing | 59369.29 | 9451.79 | 68821.08 |
| 4 | **Infrastructure** | | | |
| 4.1 | **Power** | | | |
| 4.1.1 | Power Generation | 162395.36 | 29442.71 | 191838.06 |
| 4.1.2 | Power Transmission and Distribution | 85789.59 | 5471.63 | 91261.22 |
| 4.1.3 | Renewable Energy | 2770.33 | 1104.16 | 3874.49 |
| 4.2 | **Transport** | | | |
| 4.2.1 | Ports and Roads | 115831.41 | 5805.05 | 121636.46 |
| 4.2.2 | Shipping | 8349.63 | 14607.66 | 22957.29 |
| 4.2.3 | Logistics | 16144.32 | 5147.78 | 21292.10 |
| 4.3 | Telecommunication | 6780.27 | 54190.50 | 60970.77 |
| 4.4 | Educational Institution | 43703.32 | 2920.62 | 46623.94 |
| 4.5 | Hospital | 22911.76 | 1669.72 | 24581.48 |
| 4.6 | Hotels (Three Star and above) | 12246.67 | 459.26 | 12705.93 |
| 4.7 | Other Infrastructure | 295633.64 | 7847.53 | 303481.17 |
| 5 | **Textiles** | | | |
| 5.1 | Cotton Textile | 34719.30 | 4134.23 | 38853.53 |
| 5.2 | Natural Fibre Textile | 1728.67 | 10.55 | 1739.22 |
| 5.3 | Handloom Textile and Khadi | 4147.82 | 99.43 | 4247.25 |
| 5.4 | Other Textile | 60536.15 | 9514.61 | 70050.76 |
| 6 | **NBFC/HFC/MFI** | | | |
| 6.1 | Non Banking Financial Companies (NBFC) | 334416.60 | 1074.62 | 335491.22 |
| 6.2 | Micro Finance Institutions (MFI) | 31677.12 | 0.00 | 31677.12 |
| 6.3 | Housing Finance Companies (HFC) | 229889.07 | 0.00 | 229889.07 |
| 7 | **Metal and Metal Products** | | | |
| 7.1 | Iron and Steel | 88552.12 | 57510.68 | 146062.80 |
| 7.2 | Other Metals and Metal Products | 26723.25 | 16233.90 | 42957.15 |
| 8 | **Trade** | | | |
| 8.1 | Wholesale Trade | 304865.90 | 23318.46 | 328184.36 |
| 8.2 | Retail Trade | 177104.33 | 5624.48 | 182728.81 |
| 9 | Automobiles | 19013.16 | 3351.68 | 22364.84 |
| 10 | Aviation | 2266.17 | 1.29 | 2267.45 |
| 11 | Beverages and Tobacco | 7318.53 | 193.32 | 7511.86 |
| 12 | Cement and Cement Products | 29228.54 | 7746.65 | 36975.19 |
| 13 | Capital Market Exposure (CME) | 22518.11 | 1715.00 | 24233.11 |
| 14 | Commercial Real Estate (CRE) | 79291.65 | 4289.52 | 83581.18 |

| | | | | |
|---|---|---|---|---|
| 15 | Construction Contractors | 105856.31 | 146263.70 | 252120.02 |
| 16 | Gems and Jewellery | 6856.24 | 714.74 | 7570.98 |
| 17 | Glass and Glass Ware | 975.71 | 2932.87 | 3908.58 |
| 18 | Leather and Leather Products | 3442.68 | 479.75 | 3922.42 |
| 19 | Media and Entertainment | 5599.86 | 4094.10 | 9693.96 |
| 20 | Mining and Quarrying | 21814.71 | 1037.64 | 22852.35 |
| 21 | Paper and Paper Products | 20614.49 | 4989.21 | 25603.70 |
| 22 | Petroleum and Petroleum Products | 148111.71 | 53792.70 | 201904.41 |
| 23 | Printing and Publishing | 7377.08 | 1520.27 | 8897.36 |
| 24 | Rubber, Plastic and their Products | 30762.80 | 11179.35 | 41942.16 |
| 25 | Wood and Wood Products | 6685.74 | 1237.00 | 7922.74 |
| 26 | Other Industries | 251487.05 | 17373.06 | 268860.10 |

As on 31.12.2021, the Bank's exposure to the industries stated below was more than 5% of the total exposure

| Sl.No | Industry Classification | Percentage of the total gross credit exposure* |
|---|---|---|
| 1 | Infrastructure | 16.07% |
| 2 | NBFC / HFC / MFI | 10.65% |

* Gross credit exposure of the Bank is ₹ 5606571.09 million

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

(₹ in Million)

| | Investments* | Advances |
|---|---|---|
| 1 day | 298748.90 | 43799.12 |
| 2-7 days | 211698.50 | 49286.57 |
| 8 -14 days | 95603.40 | 138342.35 |
| 15 to 30 days | 106145.20 | 89046.87 |
| 31days to 2M | 16694.50 | 166133.27 |
| 2M to 3 months | 33819.60 | 112362.37 |
| Over 3 months to 6 months | 56504.40 | 158442.82 |
| Over 6 months to 1 year | 97850.60 | 381248.73 |
| Over 1 year to 3 years | 160765.20 | 1421507.74 |
| Over 3 years to 5 years | 72593.70 | 630240.57 |
| Over 5 years | 655676.68 | 548645.73 |
| Total | 1806100.68 | 3739056.14 |

*Excludes 50% of listed equities of ₹ 4936.19 million

(Standalone) (₹ in Million)

| | | |
|---|---|---|
| (f) | Amount of NPAs (Gross) | 365395.70 |
| | ➢ Substandard | 67911.14 |
| | ➢ Doubtful 1 | 67447.15 |
| | ➢ Doubtful 2 | 103592.81 |
| | ➢ Doubtful 3 | 74691.98 |
| | ➢ Loss | 51752.62 |
| (g) | Net NPAs | 101548.98 |
| (h) | NPA Ratios | |
| | ➢ Gross NPAs to gross advances | 9.13% |
| | ➢ Net NPAs to net advances | 2.72% |
| (i) | Movement of NPAs (Gross) | |
| | ➢ Opening Balance (01.04.2021) | 384553.46 |
| | ➢ Additions | 89624.89 |
| | ➢ Reductions | 108782.66 |
| | ➢ Closing Balance (31.12.2021) | 365395.70 |
| (j) | Movement of provisions for NPAs | |
| | ➢ Opening Balance (01.04.2021) | 256401.80 |
| | ➢ Provisions made during the period | 62932.70 |
| | ➢ Write Off / Write-back of excess provisions | 60400.87 |
| | ➢ Closing balance (31.12.2021) | 258933.63 |
| (k) | Amount of Non-Performing investments | 18678.13 |
| (l) | Amount of Provisions held for non-performing investments | 8082.82 |
| (m) | Movement of provisions for depreciation on investments | |
| | ➢ Opening balance (01.04.2021) | 26401.30 |
| | ➢ Provisions made during the period | 2545.96 |
| | ➢ Write-off | 0.00 |
| | ➢ Write-back of excess provisions | 2111.37 |
| | ➢ Closing balance (31.12.2021) | 26835.89 |

**Write off and recoveries that have been booked directly to the income statement** (Standalone)**:**

(₹ in Million)

| | |
|---|---|
| Recovery in Accounts under collection | 14119.32 |
| Memorandum of Interest / legal charges / Recovery in written off accounts | 62.20 |

**Amount of NPA by Major Industry type** (Standalone)**:**

(₹ in Million)

| Industry | Gross NPA | Provision | Net NPA |
|---|---|---|---|
| Basic Metals and metal products | 17861.66 | 12661.91 | 5199.75 |
| Infrastructure including Power | 55553.39 | 40626.26 | 14927.14 |
| Textiles | 16629.63 | 10003.03 | 6626.59 |
| All engineering | 8382.67 | 7007.10 | 1375.57 |
| Petroleum & Other Minerals | 609.80 | 271.43 | 338.37 |

**Technical Write Off during the quarter ended 31.12.2021-Standalone**

(₹ in Million)

| | |
|---|---|
| Details -Domestic | |
| Accounts with BB more than Rs 1.00 crore and above | 7033.30 |
| Accounts with BB less than Rs 1.00 crore and above | 0.00 |
| TOTAL DOMESTIC | 7033.30 |
| Details- Overseas | 0.00 |
| Accounts technically written off during the year ended -overseas | 0.00 |
| Total GLOBAL | 7033.30 |

**Geography-wise NPA** (Standalone)

(₹ in Million)

| | Domestic | Overseas | Global |
|---|---|---|---|
| **Amount of NPAs** (Gross) | | | |
| ➢ Substandard | 67870.63 | 40.51 | 67911.14 |
| ➢ Doubtful 1 | 61792.56 | 5654.59 | 67447.15 |
| ➢ Doubtful 2 | 103521.10 | 71.70 | 103592.81 |
| ➢ Doubtful 3 | 73916.13 | 775.85 | 74691.98 |
| ➢ Loss | 50397.16 | 1355.45 | 51752.62 |
| **Total** | **357497.58** | **7898.1** | **365395.7** |

**Analysis of ageing of past-due loans** (Standalone)

(₹ in Million)

| Details | Gross NPA |
|---|---|
| **Less than 1 year (Sub Standard)** | 67911.14 |
| **1-2 Years (D1)** | 67447.15 |
| **2-3 Years(D2- 1st Year)** | 58411.84 |
| **3-4 Years(D2- 2nd Year)** | 45180.96 |
| **More than 4 years** | 126444.59 |

## Table DF – 4

## Credit Risk: disclosures for portfolios subject to the standardized approach

### Qualitative Disclosures:

(a)The Bank uses ratings assigned by the seven Rating Agencies approved by the Reserve Bank of India namely a) CRISIL, b) ICRA, c) CARE, d) India Ratings, e) Brickworks f) Acuite and g) Infomerics for the eligible exposures such as Corporate, Public Sector Enterprises, and Capital Market Exposures etc. according to the Basel III framework. For overseas credit exposure, bank accepts rating of Standard &Poor, Fitch, & Moody's.

The Bank uses only publicaly available solicited ratings assigned by the above approved credit rating agencies for all eligible exposures, both on balance sheet and off balance sheet, whether short term or long term, in the manner permitted in the RBI guidelines on Basel III capital regulations.

For assets in the Bank's portfolio that have contractual maturity up to one year, short term ratings accorded by the chosen credit rating agencies are considered relevant. For other assets, which have a contractual maturity of more than one year, long term ratings accorded by the chosen credit rating agencies are considered relevant.

Long term/short term ratings issued by the chosen domestic credit rating agencies have been mapped to the appropriate risk weights applicable as per the standardised approach under Basel III capital regulations.

**Use of multiple rating assessment:**

- If there are two ratings accorded by chosen credit rating agencies that map into different risk weights, the higher risk weight are 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 should be referred to and the higher of those two risk weights should be applied. i.e., the second lowest risk weight

### Quantitative Disclosures:

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

(₹ in Million)

| Standalone | Book Value | Risk Weighted value |
|---|---|---|
| Below 100% Risk weight | 88,37,777.52 | 10,78,729.73 |
| 100% Risk weight | 7,23,148.04 | 5,75,209.01 |
| Above 100% Risk weight | 7,97,138.90 | 9,16,764.99 |
| **Total** | **1,03,58,064.46** | **25,70,703.73** |

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 | 88,38,229.04 | 10,78,781.40 |
| 100% Risk weight | 7,23,678.95 | 5,75,739.92 |
| Above 100% Risk weight | 7,97,207.21 | 9,18,919.14 |
| **Total** | **1,03,59,115.20** | **25,73,440.46** |

# Table DF – 18

**Leverage Ratio**

The Basel III Leverage Ratio is defined as the Capital Measure (Tier-1 Capital) divided by the Exposure Measure. As per RBI Guidelines, the Basel III Leverage Ratio for the Bank at the consolidated level as on December 31, 2021 is as follows

(₹ in Million)

| Capital and total exposures | | |
|---|---|---|
| A | Tier 1 capital | 3,37,056.13 |
| B | Total exposures | 70,62,554.32 |
| | Basel III leverage ratio A/B | **4.77%** |