Basel III: Pillar 3 Disclosure as at 31 March 2017

(Currency: Indian rupees in million)

1. Scope of application

Qualitative Disclosures

DBS Bank Ltd., India ('the Bank') operates in India as a branch of DBS Bank Ltd., Singapore a banking entity incorporated in Singapore with limited liability. As at 31 March 2017, the Bank has a presence of 12 branches across 12 cities. The Bank does not have any subsidiaries in India nor any interest in Insurance Entities. Thus, the disclosures contained herein only pertain to the Bank.

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
Not Applicable					

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)
DBS Asia Hub 2 Private Limited	IT and Business Support Services to group entities	688.77 *	-	NA	704.89 *

*Per Audited Financial Statements as at 31st March 2016 since Statutory audit for year ended 31st March 2017 is under progress.

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)
Not Applicable			

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
Not Applicable				

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 within the banking group:

There are no restrictions or impediments on transfer of funds or regulatory capital within the banking group.

2. Capital Adequacy

Qualitative disclosures

The CRAR of the Bank is 16.49% as computed under Basel III norms, which is higher than the minimum regulatory CRAR requirement (including CCB) of 10.25%.

The Bank's capital management framework is guided by the existing capital position, proposed growth and strategic direction. Growth opportunities have resulted in an increasing and continuing need to focus on the effective management of risk, and commensurate capital to bear that risk. The Bank carefully assesses its growth opportunities relative to the capital available to support them, particularly in the light of the economic environment and capital requirements under Basel III. The Bank maintains a strong discipline over capital allocation and ensuring that returns on investment cover capital costs.

	Particulars	31 Mar 17
A	Capital requirements for Credit Risk *(Standardised Approach)* *	28,763
B	Capital requirements for Market Risk *(Standardised Duration Approach)* *	
	- Interest rate risk	4,809
	- Foreign exchange risk	360
	- Equity risk	171
C	Capital requirements for Operational risk *(Basic Indicator Approach)* *	1,554
D	CET1 Capital Ratio (%)	11.62%
E	Tier1 Capital Ratio (%)	11.62%
F	Total Capital Ratio (%)	16.49%

* Capital required is calculated at 8% of Risk Weighted Assets for CVA, Market Risk and Operational Risk and at 10.25% of Risk Weighted Assets for others.

3. General Disclosures

As part of overall corporate governance, the Group Board has approved a comprehensive Integrated Risk Framework covering risk governance for all risk types and for all entities within the Group, including India. This framework defines authority levels, oversight responsibilities, policy structures and risk appetite limits to manage the risks that arise in connection with the use of financial instruments. On a day-to-day basis, business units have primary responsibility for managing specific risk exposures while Risk Management Group (RMG) exercises independent risk oversight on the Group as a whole. RMG is the central resource for quantifying and managing the portfolio of risks taken by the Group as a whole.

A) ***General Disclosures for Credit Risk***

Qualitative Disclosures

Credit Risk Management Policy

The credit policies and basic procedures of the Bank relating to its lending activities are contained in the Local Credit / Loan Policy of the Bank, Core Credit Policy at Singapore and the Credit Manual. These are based on the general credit principles, directives / guidelines issued by the RBI from time to time as well as instructions and guidelines of DBS Bank Ltd, Singapore (hereinafter referred to as 'the Head Office'). In the unlikely event of any conflict amongst the RBI guidelines and Head Office Guidelines, the more conservative policy / guideline is followed.

The Core Credit Policy and the Credit / Loan policy outlines the Bank's approach to Credit Risk Management and sets out the rules and guidelines under which the Bank would develop and grows its lending business. These policies provide guidance to the Bank's Corporate Banking, SME Banking and Financial Institutions Group to manage the growth of their portfolio of customer assets in line with the Bank's credit culture and profitability objectives, taking into account the capital needed to support the growth.

Supplementary policies to the main Core Credit Policy and the Credit / Loan policy have also been laid out, for certain types of lending and credit-related operations. These include subject specific policies relating to risk ratings, Default policy, Specialized Lending etc., as well as guidelines for Real Estate lending, NBFC lending, hedging of FX exposures, credit risk mitigation, sectoral and individual / group borrower limits, bridge loans, bill discounting, etc.

Responsibility for monitoring post-approval conditions resides with the Credit Control Unit (CCU), which reports in to Head of CCU in Singapore, with local oversight of the Senior Risk Executive (SRE) in India. The responsibility for risk reporting is with the Credit Risk - COO team which reports to the SRE in India. The Risk Based Supervision (RBS) submission to RBI contains further details on the same.

Advances are classified into performing and non-performing advances (NPAs) as per RBI guidelines. NPA's are further classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI.

Quantitative Disclosures

Credit Exposure

Particulars	31 Mar 17
Fund Based *	249,121
Non Fund Based **	211,572

* Represents Gross Advances and Bank exposures.

** Represents trade and unutilized exposures after applying credit conversion factor and Credit equivalent of FX/derivative exposures.

The Bank does not have overseas operations and hence exposures are restricted to the domestic segment.

Industry wise Exposures (Fund Based exposures)

Industry	31 Mar 17
Bank *	85,977
Infrastructure - Telecommunication	21,396
Gas/LNG (storage and pipeline)	16,777
Basic Metal & Metal products - Iron and Steel	12,190
Construction	9,545
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	7,887
Mining and Quarrying - Others	7,261
Home Loan	6,389
Vehicles, Vehicle Parts and Transport Equipments	6,159
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	6,067
Infrastructure - Electricity (generation-transportation and distribution)	5,241
Chemicals and Chemical Products (Dyes, Paints, etc.) - Fertilisers	5,239
Metal and Metal Products	5,065
Chemicals and Chemical Products (Dyes, Paints, etc.) - Others	4,415
Trading Activity	4,114
Paper and Paper Products	3,972
Food Processing - Edible Oils and Vanaspati	3,832
Food Processing - Others	3,335
Non-Banking Financial Institutions/Companies	3,253
Other Services	2,946
Other Industries	2,841
Rubber, Plastic and their Products	2,786
All Engineering - Electronics	2,742
Loan Against Property	2,236
All Engineering - Others	2,206
Retail Trade	1,774
Beverages	1,568
Transport Operators	1,336
Computer Software	1,326
Petro-chemicals	1,205
Wholesale Trade (other than Food Procurement)	1,170
Wood and Wood Products	1,134
Textiles - Others	1,103
Professional Services	1,094
Tourism, Hotel and Restaurants	826
Infrastructure - Transport - Roadways	623
Tea	472
Infrastructure - Social and Commercial Infrastructure - Education Institutions	357
Glass & Glassware	347
Leather and Leather products	261
Cement and Cement Products	260
Coffee	249
Sugar	145
Total Credit Exposure (fund based)	**249,121**

* Includes advances covered by Letters of Credit issued by other Banks.

Industry wise Exposures (Non - Fund Based exposures)

Industry	31 Mar 17
Banks	65,125
Financial Institutions	50,744
Infrastructure - Electricity (generation-transportation and distribution)	9,208
Metal and Metal Products	8,070
Other Industries	7,547
Retail Others	7,481
Non-Banking Financial Institutions/Companies	6,108
Trading Activity	5,472
Infrastructure - Transport - Ports	4,937
Infrastructure - Energy - Oil/Gas/Liquefied Natural Gas (LNG) storage facility	4,863
Other Services	3,805
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	3,792
Computer Software	2,748
Cement and Cement Products	2,680
Construction	2,632
All Engineering - Others	2,631
Vehicles, Vehicle Parts and Transport Equipments	2,536
Mining and Quarrying - Others	2,097
Chemicals and Chemical Products (Dyes, Paints, etc.) - Others	2,071
Basic Metal & Metal products - Iron and Steel	1,976
Chemicals and Chemical Products (Dyes, Paints, etc.) - Fertilisers	1,966
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	1,805
Infrastructure - Telecommunication	1,607
Rubber, Plastic and their Products	1,554
All Engineering - Electronics	1,387
Professional Services	1,077
Food Processing - Others	1,031
Food Processing - Edible Oils and Vanaspati	1,014
Infrastructure - Energy - others	868
Petro-chemicals	564
Paper and Paper Products	556
Beverages	313
Wood and Wood Products	303
Textiles - Others	273
Wholesale Trade (other than Food Procurement)	250
Glass & Glassware	157
Transport Operators	114
Food processing - Coffee	107
Food processing - Sugar	34
Leather and Leather products	26
Food Processing - Tea	19
Tourism, Hotel and Restaurants	14
Textiles - Spinning Mills	10
Total Credit Exposure (non-fund based)	**211,572**

Maturity of Assets as at 31 March 2017

Particulars	Cash	Balance with RBI	Balance with Banks	Investments (net of depreciation)	Loans & Advances (net of provisions)	Fixed Assets	Other Assets
1 day	63	158	8,156	1,856	9,444	-	432
2–7 days	-	9,614	-	19,718	11,967	-	552
8–14 Days	-	702	-	3,086	4,859	-	120
15-30 Days	-	613	-	5,161	31,518	-	460
31 Days - 2 months	-	542	324	6,456	26,942	-	402
2-3 months	-	627	1,297	3,430	20,525	-	302
3–6 Months	-	774	-	13,689	49,282	-	780
6 Months – 1 Year	-	493	-	2,722	22,174	-	326
1–3 Years	-	408	1,621	10,105	22,293	-	841
3–5Years		336	15,564	4,754	6,065		243
Over 5Years	-	5,553	-	31,504	13,312	581	72,674
Total	**63**	**19,820**	**26,962**	**102,481**	**218,382**	**581**	**77,132**

Note: The same maturity bands as used for reporting positions in the ALM returns have been used by the Bank.

Classification of NPA's

Particulars	31 Mar 17
Amount of NPAs (Gross)	8,384
Substandard	3,746
Doubtful 1	2,971
Doubtful 2	1,083
Doubtful 3	584
Loss	-

Movement of NPAs and Provision for NPAs

	Particulars	31 Mar 17
A	Amount of NPAs (Gross)	8,384
B	Net NPAs	4,625
C	NPA Ratios	
	- Gross NPAs to gross advances (%)	3.77%
	- Net NPAs to net advances (%)	2.12%
D	Movement of NPAs (Gross)	
	- Opening balance as of the beginning of the financial year	16,327
	- Additions	6,019
	- Reductions on account of recoveries/ write - offs	13,962
	- Closing balance	8,384
E	Movement of Provision for NPAs	
	- Opening balance as of the beginning of the financial year	8,661
	- Provision made during the year	2,768
	- Write – offs / Write – back of excess provision	7,670
	- Closing balance	3,759

General Provisions

In accordance with RBI guidelines, the Bank maintains provision on standard advances, standard derivative exposures and provision on Unhedged Foreign Currency Exposure (UFCE). Movement in general provisions is detailed below

Particulars	31 Mar 17
Opening Balance	**1,117**
Add: Provisions Made During the Year	**188**
Less: Write off / Write back of Excess provisions during the Year	**-**
Closing Balance	**1,305**

Amount of Non-Performing Investments and Provision for NPIs

Non-Performing Investments and Provision for NPIs is given below:

	Particulars	31 Mar 17
A	Amount of Non-Performing Investments (Gross)	671
B	Amount of provisions held for non-performing investments	64

Movement in Provisions held towards Depreciation on Investments

Movement in Provisions held towards Depreciation on Investments is given below:

Particulars	31 Mar 17
Opening Balance	24
Add: Provisions made during the year	416
Less: Write off / Write back of excess provisions during the year	-
Closing Balance	**440**

Industry wise Past Due Loans

Particulars	31 Mar 17
Infrastructure - Communication - Telecommunication and Telecom Services	4,120
Basic Metal & Metal products - Iron and Steel	3,577
Glass & Glassware	298
Paper and Paper Products	187
Tourism, Hotel and Restaurants	167
Wood and Wood Products	147
Basic Metal & Metal products - Other Metal and Metal Products	126
Trading Activity	80
Total	**8,702**

Ageing of Past Due Loans

Particulars	31 Mar 17
Overdue upto 30 Days	8,420
Overdue between 31 and 60 Days	135
Overdue between 61 and 90 Days	147
Total	**8,702**

The Bank does not have overseas operations and hence amount of NPAs and past due loans are restricted to the domestic segment.

Industry wise NPAs

Particulars	Amount of NPA	Specific Provision
Paper & Paper Products	2,597	800
Basic Metal & Metal products - Iron and Steel	2,176	550
Construction	919	446
Infrastructure - Transport - Roadways	623	435
Trading Activity	488	343
Computer Software	378	337
Infrastructure - Social and Commercial Infrastructure - Education Institutions	357	316
Food Processing - Edible Oils and Vanaspati	286	209
All Engineering - Electronics	218	115
Textiles - Others	147	147
Gas/LNG (storage and pipeline)	145	22
Beverages (excluding Tea & Coffee) - Others	26	26
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	22	11
Retail Trade	2	2
Total	**8,384**	**3,759**

Industry wise General Provisions

Particulars	31 Mar 17
Banks	295
Infrastructure - Telecommunication	127
Non-Banking Financial Institutions/Companies	126
Construction	107
Infrastructure - Energy - Oil/Gas/Liquefied Natural Gas (LNG) storage facility	73
Basic Metal & Metal products - Iron and Steel	47
Retail Others	42
Other Services	39
Other Industries	34
Mining and Quarrying - Others	33
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	33
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	32
Vehicles, Vehicle Parts and Transport Equipments	32
Food Processing - Edible Oils and Vanaspati	28
Trading Activity	28
Infrastructure - Electricity (generation-transportation and distribution)	24
Metal and Metal Products	23
Chemicals and Chemical Products (Dyes, Paints, etc.) - Fertilisers	22
Chemicals and Chemical Products (Dyes, Paints, etc.) - Others	20
Infrastructure - Transport - Ports	16
Food Processing - Others	15
Rubber, Plastic and their Products	15
All Engineering - Others	14
All Engineering - Electronics	11
Petro-chemicals	10
Professional Services	7
Beverages	7
Paper and Paper Products	6
Transport Operators	5
Wholesale Trade (other than Food Procurement)	5
Wood and Wood Products	5
Textiles - Others	4
Tourism, Hotel and Restaurants	4
Computer Software	4
Infrastructure - Energy - Others	3
Food Processing - Tea	3
Cement and Cement Products	2
Glass & Glassware	1
Leather and Leather products	1
Food processing - Coffee	1
Food processing - Sugar	1
Total	**1,305**

Industry wise Specific Provisions (net of write-backs)

Particulars	31 Mar 17
Paper and Paper Products	800
Trading Activity	343
Basic Metal & Metal products - Iron and Steel	105
Food Processing - Edible Oils and Vanaspati	100
All Engineering - Electronics	82
Infrastructure - Energy - Oil/Gas/Liquefied Natural Gas (LNG) storage facility	22
Other Industries	2
Infrastructure - Telecommunication	(48)
Infrastructure - Transport - Roadways	(53)
Beverages	(54)
Textiles - Cotton	(91)
Food Processing - Others	(104)
Infrastructure - Others	(119)
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	(123)
Professional Services	(213)
Coal	(353)
Mining and Quarrying - Others	(360)
Transport Operators	(492)
Computer Software	(562)
Construction	(1,167)
All Engineering - Others	(1,183)
Infrastructure - Water sanitation	(1,434)
Total	**(4,902)**

Industry wise write-off's

Particulars	31 Mar 17
Construction	2,609
Infrastructure - Water sanitation	2,410
All Engineering - Others	1,167
Transport Operators	718
Coal	706
Mining and Quarrying - Others	379
Computer Software	344
Food Processing - Edible Oils and Vanaspati	284
Textiles - Cotton	210
Food Processing - Others	174
Infrastructure - Others	142
Chemicals and Chemical Products (Dyes, Paints, etc.) - Drugs and Pharmaceuticals	128
Infrastructure - Telecommunication	47
Professional Services	46
Infrastructure - Transport - Roadways	43
All Engineering - Electronics	39
Total	**9,446**

4. Disclosures for Credit Risk: Portfolios subject to Standardised approach

Qualitative Disclosures

Currently based on our clientele, ratings of the following agencies have been used i.e. CARE, CRISIL, India Ratings and Research Private Ltd., ICRA, Brickwork, SME Rating Agency Pvt Ltd (SMERA), Standards & Poors, Moody's and Fitch for all exposures. The Bank assigns Long term credit ratings accorded by the chosen credit rating agencies for assets which have a contractual maturity of more than one year. However, in accordance with RBI guidelines, the Bank classifies all cash credit exposures as long term exposures and accordingly the long term ratings accorded by the chosen credit rating agencies are assigned. The Bank uses both issue specific and issuer ratings. In accordance with RBI guidelines, for risk-weighting purposes, short-term ratings are deemed to be issue-specific.

Quantitative Disclosures

Categorization of Credit Exposures (Fund and Non Fund based) * classified on the basis of Risk Weightage is provided below:

Particulars	31 Mar 17
< 100 % Risk Weight	315,036
100 % Risk Weight	123,196
> 100 % Risk Weight	18,685
Total	**456,917**

* Credit Exposures are reported net of NPA provisions and provision for diminution in fair value of restructured advances classified as Standard.

5. Disclosures for Credit Risk Mitigation on Standardised approach

Qualitative Disclosures

This is detailed in our policy on Credit Risk Mitigation techniques and Collateral Management.

Quantitative Disclosures

Currently, eligible financial collateral in the form of fixed deposits under lien, amount accepted under Parallel Deposit and guarantees issued by eligible guarantor as specified in RBI guidelines have been used as credit risk mitigants. In the case of fixed deposits under lien, the Bank reduces its credit exposure to counterparty by the value of the fixed deposits.

The details of exposures (after application of haircut) wherein the bank has used credit risk mitigants (CRM) are as under:

Product	Amount of CRM
Fund based exposure	916
Total	**916**

6. Disclosure on Securitisation for Standardised approach

The Bank has not undertaken any securitisation and hence this disclosure is not applicable.

7. Disclosure on Market Risk in Trading book

Qualitative disclosures

Market Risk arises from changes in value from changes in interest rates yields, foreign exchange rates, equity prices, commodity prices, credit spreads and the impact of changes in the correlations and volatilities of these risk factors. The Banks market risk appetite is determined by the Group Board of Directors, with detailed limit frameworks recommended by the appropriate risk committees. The Group Market & Liquidity Risk Committee, which reports into the Group Risk Executive Committee, oversees the market risk management infrastructure, sets market risk control limits and provides enterprise-wide oversight of all market risks and their management.

The Group's market risk framework identifies the types of the market risk to be covered, the risk metrics and methodologies to be used to capture such risk and the standards governing the management of market risk within the Group including the limit setting and independent model validation, monitoring and valuation.

The principal market risk appetite measure is Expected Shortfall. The Expected Shortfall is supplemented by risk control measures, such as sensitivities to risk factors, including their volatilities, as well as P&L loss triggers (Management Action Triggers) for management action.

Expected Shortfall estimates the potential loss on the current portfolio assuming a specified time horizon and level of confidence. The Expected Shortfall methodology uses a historical simulation approach to forecast the Group's market risk. Expected Shortfall risk factor scenarios are aligned to parameters and market data used for valuation. The Expected Shortfall is calculated for T&M trading, T&M banking and ALCO book.

On a daily basis, the Bank computes trading Expected Shortfall for each business unit and location, and at the Group level. Banking Expected Shortfall is computed on a weekly basis for each business unit and location. The trading Expected Shortfall forecasts are back-tested against the profit and loss of the trading book to monitor its predictive power.

To complement the Expected Shortfall framework, regular stress testing is carried out to monitor the Banks vulnerability to shocks. Also, monthly and annual P/L stop loss limits is monitored on a daily basis for the Trading book.

The risk control measures such as Interest rate PV01 (IRPV01) and FX delta measures the interest rate and FX rate risk to the current portfolio. The IR PV01 measures the change in the Net present value (NPV) due to an increase of 1 basis point in interest rates .The FX delta measures the change in NPV due to an increase of 1 unit in FX rates. The currency wise IRPV01 and FX Delta is calculated daily for T&M trading, T&M banking and ALCO book.

The other risk control measures such as Credit spread PV01 (CSPV01) and Jump to default (JTD) measures the change in the NPV due to an increase of 1 basis point in credit spreads and the expected loss due to immediate default respectively. The CSPV01 and JTD are calculated daily for T&M trading book.

The other risk control measures such as Credit spread PV01 (CSPV01) and Jump to default (JTD) measures the change in the NPV due to an increase of 1 basis point in credit spreads and the expected loss due to immediate default respectively. The CSPV01 and JTD are calculated daily for T&M trading book.

Quantitative Disclosures

Capital Requirement for Market Risk *

Particulars	31 Mar 17
Interest rate risk	4,809
Foreign exchange risk (including gold)	360
Equity position risk	171

* Capital required for Market Risk is calculated at 8% of Risk Weighted Assets.

8. Operational Risk

Qualitative Disclosures

Strategy and Process

The Group Operational Risk Management (ORM) policy:

- Defines operational risk and the scope of its application;
- Establishes the dimensions of operational risk;
- Provides a consistent Group wide approach for managing operational risk in a structured, systematic and consistent manner across DBS.

Operational risk arises from inadequate or failed internal processes, people, systems or from external events. It includes legal risk but excludes strategic or reputation risk

DBS adopts a zero tolerance mindset for operational risk that can endanger the franchise.

The Group ORM policy developed by the Head Office in Singapore has been adopted by the branches in India. The policy comprises of risk governance, risk policies, risk mitigation programmes, risk and control self-assessments, risk event management and reporting, and key risk indicators.

The ORM policy includes inter-alia:

a) ORM Governance key responsibilities (Board, Senior Management, Location / Business level)

b) ORM guiding principles

c) Core Operational Risk Standards (CORS)

d) Control and mitigation:
   - Internal controls
   - Global Insurance Programme; and
   - Business Continuity Management

e) Risk Tools and Mechanisms comprising:
   - Risk & Control Self-Assessment (RCSA)
   - Operational Risk Event Management & Reporting (OREM&R)
   - Key Risk Indicators (KRI)
   - Scenario Assessment (SA)
   - Issue Management & Action Tracking
   - Risk Analysis, Reporting and Profiling

f) Risk Quantification & Disclosure
   - Loss Provisioning / Capital Allocation

Structure and Organisation

The Bank has in place an India Operational Risk Committee (IORC) which meets on a monthly basis to discuss operational risk issues / related matters. The committee is chaired by the Senior Risk executive (SRE) and is administered by the Head - Operational Risk, India. The committee reports to the India Management Committee (IMC). This ensures appropriate management oversight of operational risks facing the Bank.

The IORC comprises of the Heads of the Institutional Banking Group, Consumer Banking Group, Global Transaction Services, Treasury & Markets, Technology & Operations, Finance, Legal & Compliance, Internal Audit and other members as defined in the Terms of Reference (TOR)

As part of the Bank's ORM structure, an independent Operational Risk function is in place led by the local Head of Operational Risk, who reports to the SRE, India and functionally to the Group Head of Operational Risk at the Head Office in Singapore.

Coverage includes identifying, assessing, controlling / mitigating risk, monitoring, reporting risk and also ensuring compliance with DBS Group standards and meeting local and MAS regulatory requirements relating to Operational Risk.

In addition to the independent Operational Risk function, Unit Operational Risk Managers (UORM) are appointed within all Business Units (BU) and Support Units (SU) to support and implement the risk management policy & process and to ensure maintenance of adequate controls on an ongoing basis. Periodic training / orientations / discussions are held to keep UORM updated with key developments.

Risk Mitigation Programs

Internal Controls

The day-to-day management of Operational Risk within the Bank is through maintenance of a comprehensive system of internal controls. An effective internal control system is a combination of a strong control environment and appropriate internal control procedures. These internal controls comprise preventive, detective, escalation and corrective controls.

Global Insurance Programme (GIP)

GIP helps to mitigate operational risk losses from significant risk events.

The key objective of GIP is to reduce low frequency high impact financial losses via transfer of loss to external funding sources (insurers). In line with DBS ORM philosophy, high frequency low impact operational losses are managed through establishment of strong internal controls.

Business Continuity Management (BCM) is a key Operational Risk programme of DBS to minimize the impact of a business disruption, irrespective of cause, and to provide an acceptable level of business until normal business operations are resumed.

BU/SUs are to comply with the BCM Policies and Standards established by Group Business Continuity Management (GBCM).

BCM includes the following:

- Establishment of ownership, roles and responsibilities
- Risk analysis
- Business impact analysis
- Recovery strategies
- Familiarisation of emergency response and crisis management plans
- Regular review and maintenance
- Regular, complete and meaningful testing

Risk Reporting and Measurement

Operational Risk related MIS is reported through the central ORM system (ROR - Reveleus Operational Risk), as follows:

- Incident Management (IM) Module - for reporting of Risk Events (including near miss and timing error, etc.)
- Issue and Action Management (IAM) Module - for tracking of issues and actions emanating from Risk Events, Audit Issues, Regulatory Issues and other risk related issues
- Key Indicator (KI) Module - for reporting and monitoring of Key Risk Indicators (KRI)
- Risk and Control Self-Assessment (RCSA) Module - to facilitate and record the assessment of the Risk and Control Self-Assessment process.

RCSA review and assessment is performed as per risk based frequency approach.

The Operational Risk Profile including relevant MIS relating to the above is placed at the monthly India Operational Risk Committee (IORC).

Approach for operational risk capital assessment

- The Bank currently adopts the Basic Indicator Approach to calculate capital for operational risk.

9. Interest rate risk in the banking book (IRRBB)

Qualitative Disclosures

The Asset and Liability Committee ("ALCO") oversees the structural interest rate risk and funding liquidity risk in the Bank. The Market & Liquidity Risk Committee (MLRC) ensures that the exposures are within prudent levels. Structural interest rate risk arises from mismatches in the interest rate profile of customer loans and deposits. This interest rate risk has several aspects: basis risk arising from different interest rate benchmarks, interest rate re-pricing risk, yield curve risks and embedded optionality. To monitor the structural interest rate risk, the tools used by DBS include re-pricing gap reports based on traditional as well as duration gap approach, sensitivity analysis and income simulations under various scenarios.

Quantitative Disclosures

The Bank uses the Duration Gap approach to measure the impact of Market Value of Equity (MVE) for upward and downward rate shocks. This measures the potential change in MVE of the Bank for a 200 bps change in interest rates. The change in MVE due to a 200 change in interest rates are (for banking and trading book):-

Change in MVE due to a 200 bps change in interest rates	INR Million
31st March, 2017	(2,480.41)

The impact on Earnings is computed as per the definition laid down in the ALM Policy of the Bank. Per the policy, Earnings-at-Risk (EaR) measures the interest rate risk from the earnings perspective. It is computed as an impact (over a 1-year horizon) of a 1% parallel shift in the yield curve on the Bank's earning. This is computed using the net IRS gaps for each bucket up to 1 year and the mark-to-market impact of 1% rise in interest rates on the AFS and HFT portfolio is to this. The aggregate of these approximates the net revenue impact of a 1% parallel shift (increase in interest rates) in the yield curve over a 1 year horizon and acts as a useful tool in the hands of the MLRC to monitor and assess the impact of Interest rate risk exposure of the Bank on its revenue.

EaR is computed at a Bank-wide level.

EaR on the INR book (trading and banking)	INR Million
31st March, 2017	(2,741.98)

10. General Disclosure for Exposures Related to Counterparty Credit Risk

Qualitative Disclosures

USE OF ECONOMIC CAPITAL (EC) FOR CONCENTRATION RISK MANAGEMENT

While the Bank firmly complies with regulatory capital requirements at all times, we recognize the need to have more robust methodologies to measure capital usage. The Bank has adopted both qualitative and quantitative measures to address credit concentration risk. In addition to the regulatory limits, there are internally developed risk limits on the amount of exposure, as a percentage of the total exposure, that can be taken on any single industry, to avoid any sector concentration. Additionally, the Bank has developed maximum exposure limit norms which stipulates the amount of exposure that may be taken on a borrower considering its turnover and credit risk rating. In order to address the geographic concentration risk, the bank has implemented a policy on the maximum amount of advance, as a percentage of the total advances, which can be booked in a branch. The quantitative measurement of concentration risk, both for name and sector concentration and allocation of additional capital is one of the component of our ICAAP.

CREDIT RISK MITIGANTS

Collateral

Where possible, the Bank takes collateral as a secondary recourse to the borrower. Collateral includes cash, marketable securities, properties, trade receivables, inventory and equipment and other physical and financial collateral. The Bank may also take fixed and floating charges on the assets of borrowers. It has put in place policies to determine the eligibility of collateral for credit risk mitigation, which include requiring specific collaterals to meet minimum operational requirements in order to be considered as effective risk mitigants.

When a collateral arrangement is in place for financial market counterparties covered under market standard documentation (such as Master Repurchase Agreements and International Swaps and Derivatives Association (ISDA) agreements), collateral received is marked to market on a frequency mutually agreed with the counterparties.

DBS is required to post additional collateral in the event of a rating downgrade. As at 31 December 2016, for a three-notch downgrade of its Standard & Poor's Ratings Services and Moody's Investors Services ratings, DBS Bank will have to post additional collateral amounting to SGD 44 million (2015: SGD 57 million)

Other Risk Mitigants

The Bank manages its credit exposure from derivatives, repo and other repo-style transactions by entering into netting and collateral arrangements with counterparties where it is appropriate and feasible to do so. The credit risk associated with outstanding contracts with positive mark to market is reduced by master netting arrangements to the extent that if an event of default occurs, all amounts with a single counterparty in a netting-eligible jurisdiction are settled on a net basis.

The Bank may also enter into agreements which govern the posting of collateral with derivative counterparties for credit risk mitigation (e.g. Credit Support Annexes under ISDA master agreements). These are governed by internal guidelines with respect to the eligibility of collateral types and the frequency of collateral calls.

In addition, the Bank also uses guarantees as credit risk mitigants. While the Bank may accept guarantees from any counterparty, it sets internal thresholds for considering guarantors to be eligible for credit risk mitigation.

COUNTER PARTY RISK MANAGEMENT

Counterparty risk that may arise from traded products and securities is measured on a loan equivalent basis and included under the Bank's overall credit limits to counterparties. Issuer Default Risk that may arise from traded products and securities are generally measured based on jump-to-default computations.

The Bank actively monitors and manages its exposure to counterparties in over-the-counter (OTC) derivative trades to protect its balance sheet in the event of counterparty default. Counterparty risk exposures which may be materially and adversely affected by market risk events are identified, reviewed and acted upon by management and highlighted to the appropriate risk committees. In addition, the Bank's risk measurement methodology takes into account the higher risks associated with transactions that exhibit a strong relationship between the creditworthiness of a counterparty and the expected future replacement value of a relevant transaction (so called wrong-way risk) as identified during the trade booking process. The current exposure method is used for calculating the Bank's net credit exposure and regulatory capital for counterparty exposures, using the mark-to-market exposures with an appropriate add-on factor for potential future exposures.

Quantitative Disclosures

Particulars	Notionals	Credit Exposures
- Currency Derivatives	2,080,935	127,960
- Interest Rate Derivatives	1,727,803	23,045

DBS

DBS Bank Ltd., India

11. Composition of Capital

(Rs. in million)

	Basel III common disclosure template to be used from March 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)	32,113.53		A
2	Retained earnings	18,791.30		B+C+E+G
3	Accumulated other comprehensive income (and other reserves)	-		
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		
6	**Common Equity Tier 1 capital before regulatory adjustments**	48,497.28		
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments	567.31		
8	Goodwill (net of related tax liability)	-		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	-		
10	Deferred tax assets	1,892.87		F
11	Cash-flow hedge reserve	-		
12	Shortfall of provisions to expected losses	-		
13	Securitisation gain on sale	-		
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-		
15	Defined-benefit pension fund net assets	-		
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	-		
17	Reciprocal cross-holdings in common equity	-		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-		
Common Equity Tier 1 capital : regulatory adjustments				
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-		
20	Mortgage servicing rights (amount above 10% threshold)	-		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		H
22	Amount exceeding the 15% threshold	-		
23	of which: significant investments in the common stock of financial entities	-		
24	of which : mortgage servicing rights	-		
25	of which : deferred tax assets arising from temporary differences	-		
26	National specific regulatory adjustments (26a+26b+26c+26d)	-		
	a.of which : Investments in the equity capital of unconsolidated insurance subsidiaries	-		
	b.of which : Investments in the equity capital of unconsolidated non-financial subsidiaries	-		
	c.of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	-		
	d.of which : Unamortised pension funds expenditures	-		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		
28	**Total regulatory adjustments to Common equity Tier 1**	4,867.73		
29	**Common Equity Tier 1 capital (CET1)**	43,629.55		
Additional Tier 1 capital : instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	-		
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-		
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-		
35	of which : instruments issued by subsidiaries subject to phase out	-		
36	**Additional Tier 1 capital before regulatory adjustments**	-		
Additional Tier 1 capital : regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	-		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-		

	Basel III common disclosure template to be used from March 31, 2017			Ref No
41	National specific regulatory adjustments (41a+41b)	-		
	a. of which : Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-		
	b. of which : Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-		
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which:	-		
	of which:	-		
	of which:	-		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		
43	**Total regulatory adjustments to Additional Tier 1 capital**	-		
44	**Additional Tier 1 capital (AT1)**	-		
	a. Additional Tier 1 capital reckoned for capital adequacy	-		
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	43,629.55		
Tier 2 capital: instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-		
47	Directly issued capital instruments subject to phase out from Tier 2	16,861.00		I
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-		
49	of which: instruments issued by subsidiaries subject to phase out	-		
50	Provisions	1,419.27		D+J
51	**Tier 2 capital before regulatory adjustments**	18,280.27		
	Tier 2 capital : regulatory adjustments			
52	Investments in own Tier 2 instruments	-		
53	Reciprocal cross-holdings in Tier 2 instruments	-		
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-		
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-		
56	National specific regulatory adjustments (56a+56b)	-		
	a. of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	-		
	b. of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-		
	Regulatory Adjustments Applied to Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]	-		
	of which: [INSERT TYPE OF ADJUSTMENT]	-		
57	Total regulatory adjustments to Tier 2 capital	-		
58	Tier 2 capital (T2)	18,280.27		
	a. Tier 2 capital reckoned for capital adequacy	18,280.27		
	b. Excess Additional Tier 1 capital reckoned as Tier 2 capital	-		
	c. Total Tier 2 capital admissible for capital adequacy (58a + 58b)	18,280.27		
59	**Total capital (TC = T1 + Admissible T2) (45 + 58c)**	61,909.82		
60	**Total risk weighted assets (60a + 60b + 60c)**	375,356.17		
	a. of which: total credit risk weighted assets	289,195.41		
	b. of which: total market risk weighted assets	66,738.36		
	c. of which: total operational risk weighted assets	19,422.40		
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.62%		
62	Tier 1 (as a percentage of risk weighted assets)	11.62%		
63	Total capital (as a percentage of risk weighted assets)	16.49%		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	6.75%		
65	of which : capital conservation buffer requirement	1.25%		
66	of which : bank specific countercyclical buffer requirement	-		
67	of which : G-SIB buffer requirement	-		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	4.87%		
National minima (if different from Basel III)				
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	6.75%		
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)	10.25%		
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financial entities	-		

Basel III common disclosure template to be used from March 31, 2017				Ref No
73	Significant investments in the common stock of financial entities	-		
74	Mortgage servicing rights (net of related tax liability)	-		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-		
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)	1,419.27		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	3,614.94		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA		
(only applicable between March 31, 2017 and March 31, 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	-		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		
82	Current cap on AT1 instruments subject to phase out arrangements	-		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		
84	Current cap on T2 instruments subject to phase out arrangements	-		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		

Notes to the above Template

Row No. of the template	Particular	(Rs. in million)
10	Deferred tax assets associated with accumulated losses	1,892.87
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	-
	Total as indicated in row 10	1,892.87
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-
	of which : Increase in Common Equity Tier 1 capital	-
	of which : Increase in Additional Tier 1 capital	-
	of which : Increase in Tier 2 capital	-
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then :	-
	i) Increase in Common Equity Tier 1 capital	-
	ii) Increase in risk weighted assets	-
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	-
	of which : Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	-
50	Eligible Provisions included in Tier 2 capital	1,419.27
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	1,419.27
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)	-

2. Composition of Capital – Reconciliation Requirements

(Rs. in million)

Step 1		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 31 Mar 2017	**As on 31 Mar 2017**
A	**Capital & Liabilities**		
i.	Paid-up Capital	**32,113.53**	**32,113.53**
	Reserves & Surplus	**14,051.51**	**14,051.51**
	Minority Interest	**-**	**-**
	Total Capital	46,165.04	46,165.04
ii.	Deposits	**269,909.65**	**269,909.65**
	of which : Deposits from banks	31,608.41	31,608.41
	of which : Customer deposits	236,327.96	236,327.96
	of which : Other deposits (CD's)	1,973.28	1,973.28
iii.	Borrowings	**57,815.00**	**57,815.00**
	of which : From RBI	**-**	**-**
	of which : From banks	27,323.13	27,323.13
	of which : From other institutions & agencies	13,630.87	13,630.87
	of which : Others (pl. specify)	**-**	**-**
	of which : Capital instruments	16,861.00	16,861.00
iv.	Other liabilities & provisions	**71,530.89**	**71,530.89**
	Total	**445,420.58**	**445,420.58**

Step 1		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 31 Mar 2017	As on 31 Mar 2017
B	**Assets**		
i.	Cash and balances with Reserve Bank of India	**19,882.50**	**19,882.50**
	Balance with banks and money at call and short notice	**26,962.43**	**26,962.43**
ii.	Investments :	**102,481.29**	**102,481.29**
	of which : Government securities	81,138.24	81,138.24
	of which : Other approved securities		
	of which : Shares	863.17	863.17
	of which : Debentures & Bonds	10,934.10	10,934.10
	of which : Subsidiaries / Joint Ventures / Associates	-	-
	of which : Others (Commercial Papers, Certificate of deposits, Security Receipts of Asset Reconstruction Companies)	9,545.78	9,545.78
iii.	Loans and advances	**218,382.26**	**218,382.26**
	of which : Loans and advances to banks	59,014.30	59,014.30
	of which : Loans and advances to customers	159,367.96	159,367.96
iv.	Fixed assets	**580.58**	**580.58**
v.	Other assets	**77,131.52**	**77,131.52**
	of which : Goodwill and intangible assets	-	-
	of which : Deferred tax assets	4,755.39	4,755.39
vi.	Goodwill on consolidation	-	-
vii.	Debit balance in Profit & Loss account	-	-
	Total Assets	**445,420.58**	**445,420.58**

(Rs. in million)

Step 2		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Ref No.
		As on 31 Mar 2017	As on 31 Mar 2017	
A	**Capital & Liabilities**			
i.	Paid-up Capital	**32,113.53**	**32,113.53**	
	of which : Amount eligible for CET1	32,113.53	32,113.53	A
	of which : Amount eligible for AT1	-	-	
	Reserves & Surplus	**14,051.51**	**14,051.51**	
	of which :			
	Statutory Reserve	3,756.78	3,756.78	B
	Capital Reserve	5.10	5.10	C
	Investment Reserve	74.77	74.77	D
	Amount Retained in India for CAPAD	12,621.87	12,621.87	E
	Deferred Tax Reserve	0.54	0.54	
	Balance in Profit and Loss account	(2,407.55)	(2,407.55)	G
	Minority Interest			
	Total Capital	**46,165.04**	**46,165.04**	
ii.	Deposits	**269,909.65**	**269,909.65**	
	of which : Deposits from banks	31,608.41	31,608.41	
	of which : Customer deposits	236,327.96	236,327.96	
	of which : Other deposits (CD's)	1,973.28	1,973.28	
iii.	Borrowings	**57,815.00**	**57,815.00**	
	of which : From RBI	-	-	
	of which : From banks	27,323.13	27,323.13	
	of which : From other institutions & agencies	13,630.87	13,630.87	
	of which : Others			
	of which : Capital instruments	16,861.00	16,861.00	
	- of which Eligible for T2 capital	16,861.00	16,861.00	I
iv.	Other liabilities & provisions	**71,530.89**	**71,530.89**	
	of which : Provision against standard asset and country risk	1,344.50	1,344.50	J
		-	-	
	Total	**445,420.58**	**445,420.58**	
B	**Assets**			
i.	Cash and balances with Reserve Bank of India	**19,882.50**	**19,882.50**	
	Balance with banks and money at call and short notice	**26,962.43**	**26,962.43**	

ii.	Investments :	**102,481.29**	**102,481.29**	
	of which : Government securities	81,138.24	81,138.24	
	of which : Other approved securities	-	-	
	of which : Shares	863.17	863.17	
	of which : Debentures & Bonds	10,934.10	10,934.10	
	of which : Subsidiaries / Joint Ventures / Associates	-	-	
	of which : Others (Commercial Papers, Certificate of deposits, Security Receipts of Asset Reconstruction Companies)	9,545.78	9,545.78	
iii.	Loans and advances	**218,382.26**	**218,382.26**	
	of which : Loans and advances to banks	59,014.30	59,014.30	
	of which : Loans and advances to customers	159,367.96	159,367.96	
iv.	Fixed assets	**580.58**	**580.58**	
v.	Other assets	**77,131.52**	**77,131.52**	
	of which : Goodwill and intangible assets	-	-	
	of which : Deferred tax assets associated with accumulated losses	1,892.87	1,892.87	F
	of which : Deferred tax assets arising from temporary differences other than accumulated losses	2,862.52	2,862.52	H
vi.	Goodwill on consolidation	-	-	
vii.	Debit balance in Profit & Loss account	-	-	
	Total	**445,420.58**	**445,420.58**	

LEVERAGE RATIO

The Basel III leverage ratio is defined as the capital measure (Tier-1 capital of the risk based capital framework) divided by the exposure measure, with this ratio expressed as a percentage.

As per RBI guidelines, disclosures required for leverage ratio for the Bank at March 31, 2017 are as follows:

On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	387,794
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(4,868)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**382,926**
Derivative exposures		
4	Replacement cost associated with all *derivatives* transactions (i.e. net of eligible cash variation margin)	36,040
5	Add-on amounts for PFE associated with *all* derivatives transactions	93,378
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	**129,418**
Securities financing transaction exposures		
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	120
15	Agent transaction exposures	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**120**
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	197,786
18	(Adjustments for conversion to credit equivalent amounts)	(126,431)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**71,355**
Capital and total exposures		
20	Tier 1 capital *	38,938
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	**583,819**
Leverage ratio		
22	**Basel III leverage ratio**	**6.67%**

* Net of Capital Conservation Buffer (CCB)

Summary comparison of accounting assets vs. leverage ratio exposure measure

1	Total consolidated assets as per published financial statements	445,421
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	71,791
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	120
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	71,355
7	Other adjustments	(4,868)
8	**Leverage ratio exposure**	**583,819**