

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

1. Scope of Application

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

The aggregate amounts (e.g., current book value) of the bank's total interests in insurance entities, which are risk-weighted, as well as, their name, their country of incorporation or residence, the proportion of ownership interest and, if different, the proportion of voting power in these entities. In addition, indicate the quantitative impact on regulatory capital of using this method versus using the deduction. NIL

2. Capital Structure & Capital Adequacy

(Rs. in 000s)

	30.9.2012	
	Solo Bank	
	Basel II	Basel I
Tier 1 Capital :	124,709,637	125,091,728
Head Office capital	16,157,992	16,157,992
Eligible reserves	123,068,361	123,068,361
Intangible assets	(13,402,042)	(13,402,042)
Unconsolidated subsidiaries / associates	(50)	(50)
Other regulatory adjustments	(1,114,624)	(732,533)
Tier 2 Capital :	36,566,047	36,948,138
Eligible revaluation reserves	4,740,633	4,740,633
General provision and other eligible reserves/provisions	6,432,392	6,432,392
Debt capital instruments eligible to be reckoned as capital funds and included in Lower Tier 2 (of which amount raised during the year Rs. Nil)	26,427,500	26,427,500
Less: Amortisation of qualifying subordinated debts	-	-
Other regulatory adjustments	(1,034,478)	(652,387)
Total Capital Base	161,275,684	162,039,866
Minimum Regulatory Capital Requirements		
Credit Risk	99,947,301	90,381,866
Standardised approach portfolios	81,621,015	-
Securitisation exposures	9,000	-
Counterparty Risk on FX and Derivatives	18,317,286	-
Market Risk - Standardised Duration Approach	6,836,393	8,322,175
Interest rate risk	6,381,778	7,867,560
Foreign exchange risk (including gold)	360,000	360,000
Equity Risk	94,615	94,615
Operational Risk – Basic Indicator Approach	10,159,913	-
Total Minimum Regulatory Capital Requirements	116,943,607	98,704,041
Risk Weighted Assets and Contingents :		
Credit Risk	1,110,525,570	1,004,242,953
Market Risk	75,959,925	92,468,609
Operational Risk – Basic Indicator Approach	112,887,923	-
Total Risk Weighted Assets and Contingents	1,299,373,418	1,096,711,562

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Capital Ratios		
Tier 1 Capital	9.60%	11.41%
Tier 2 Capital	2.81%	3.37%
Total Capital	12.41%	14.78%

	(Rs. in 000s)	
	30.9.2011	
	Solo Bank	
	Basel II	Basel I
Tier 1 Capital :	103,144,675	103,482,492
Head Office capital	6,757,992	6,757,992
Eligible reserves	104,800,910	104,800,910
Intangible assets	(7,331,475)	(7,331,475)
Unconsolidated subsidiaries / associates	(50)	(50)
Other regulatory adjustments	(1,082,702)	(744,885)
Tier 2 Capital :	33,972,076	34,309,891
Eligible revaluation reserves	5,492,144	5,492,144
General provision and other eligible reserves/provisions	5,016,161	5,016,161
Debt capital instruments eligible to be reckoned as capital funds and included in Lower Tier 2 (of which amount raised during the year Rs. Nil)	24,487,500	24,487,500
Less: Amortisation of qualifying subordinated debts	-	-
Other regulatory adjustments	(1,023,729)	(685,914)
Total Capital Base	137,116,751	137,792,383

Minimum Regulatory Capital Requirements		
Credit Risk	95,083,492	84,167,751
Standardised approach portfolios	74,507,824	-
Securitisation exposures	-	-
Counterparty Risk on FX and Derivatives	20,575,668	-
Market Risk - Standardised Duration Approach	4,377,811	5,033,102
Interest rate risk	3,989,424	4,644,716
Foreign exchange risk (including gold)	360,000	360,000
Equity Risk	28,387	28,386
Operational Risk – Basic Indicator Approach	9,705,684	-
Total Minimum Regulatory Capital Requirements	109,166,987	89,200,803

Risk Weighted Assets and Contingents :		
Credit Risk	1,056,483,248	935,196,678
Market Risk	48,642,346	55,923,356
Operational Risk – Basic Indicator Approach	107,840,931	-
Total Risk Weighted Assets and Contingents	1,212,966,525	991,120,034

Capital Ratios		
Tier 1 Capital	8.50%	10.44%
Tier 2 Capital	2.80%	3.46%
Total Capital	11.30%	13.90%

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

3. Credit Risk: General Disclosures for all Banks

a) Analysis of total gross credit risk exposures; fund based and non-fund based separately

Nature & category of exposures	(Rs. in 000s)	
	Credit risk exposures 30.09.2012	30.09.2011
Inter bank exposures	6,588,607	22,494,615
Investments (HTM)	-	-
Advances	600,410,507	551,900,075
Total gross fund based exposures	606,999,114	574,394,690
Specific provisions / Provisions for depreciation in the value of investment ¹	(28,203,512)	(11,118,392)
Total net fund based exposures	578,795,602	563,276,298
Fx and derivative contracts	488,350,438	582,203,743
Guarantees, acceptances, endorsements and other obligations	305,363,220	285,057,042
Other commitments and credit lines ²	38,464,634	43,510,816
Total gross non-fund based exposures³	832,178,292	910,771,601
Specific provisions	(737)	(737)
Total net non fund based exposures	832,177,555	910,770,864

¹ Excluding provision on standard assets. (Previous Year: Excluding Floating provision and provision on standard assets).

² Excluding credit lines which are unconditionally cancellable at the Bank's sole discretion or, effectively provide for automatic cancellation of credit lines due to deterioration of borrower's creditworthiness.

³ For non-fund based exposures, credit risk exposures or, equivalents are computed as under:

- In case of exposures other than Fx and derivative contracts, credit equivalent is arrived at by multiplying the underlying contract or notional principal amounts with the credit conversion factors prescribed by the RBI under the Basel II capital framework.
- In case of Fx and derivative contracts, credit equivalents are computed using the current exposure method which includes, two steps as under:
 - Computation of current credit exposure, which is sum of the positive MTM value of the outstanding contracts.
 - Potential future credit exposure, which is determined by multiplying the notional principal amounts by the relevant 'add-on' factor based on tenor and type of underlying contracts.

b) Analysis of geographic distribution of exposures; fund based and non-fund based separately

As all the exposures under Para 3 a) above are domestic, the analysis of geographic distribution of exposures into fund and non-fund based has not been disclosed separately.

c) Analysis of industry wise distribution of exposures; fund based and non-fund based separately

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

(Rs. in 000s)

Nature and category of industry	30.9.2012			30.9.2011		
	Fund based	Non fund based	Total	Fund based	Non fund based	Total
Mining and Quarrying	23,596,211	394,677	23,990,888	15,090,957	6,907,679	21,998,636
<i>Of which:</i>						
- Coal	425,262	175,395	600,657	416,017	205,841	621,858
- Others	23,170,949	219,282	23,390,231	14,674,940	6,701,838	21,376,778
Food Processing	6,117,375	14,035,153	20,152,528	4,982,212	9,380,191	14,362,403
<i>Of which:</i>						
- Sugar	2,879,004	2,115,521	4,994,525	1,078,088	3,304,351	4,382,439
- Edible Oils and Vanaspati	474,756	10,349,363	10,824,119	1,882,911	5,824,823	7,707,734
- Tea	344,494	1,462,003	1,806,497	339,815	240,027	579,842
- Coffee	145	-	145	-	-	-
- Others	2,418,976	108,266	2,527,242	1,681,398	10,990	1,692,388
Beverages (excluding Tea & Coffee) and Tobacco	18,185,787	1,757,277	19,943,064	15,710,437	962,695	16,673,132
<i>Of which:</i>						
- Tobacco and tobacco products	6,820,815	293,206	7,114,021	5,096,548	457,208	5,553,756
- Others	11,364,972	1,464,071	12,829,043	10,613,889	505,487	11,119,376
Textiles	22,716,307	3,645,775	26,362,082	19,960,574	3,209,707	23,170,281
<i>Of which:</i>						
- Cotton	180,474	-	180,474	134,001	6,432	140,433
- Others	22,535,833	3,645,775	26,181,608	19,826,573	3,203,275	23,029,848
Out of Total Textiles to Spinning Mills	1,031,807	-	1,031,807	1,100,307	-	1,100,307
Leather and Leather products	921,668	88,211	1,009,879	1,103,671	130,832	1,234,503
Wood and Wood Products	879,690	1,170,563	2,050,253	889,343	793,574	1,682,917
Paper and Paper Products	6,756,927	796,738	7,553,665	4,941,668	1,590,047	6,531,715
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	484,982	13,398,635	13,883,617	438,443	10,361,845	10,800,288
Chemicals and Chemical Products (Dyes, Paints, etc.)	33,563,197	18,290,180	51,853,377	27,851,555	15,023,355	42,874,910
<i>Of which:</i>						
- Fertilisers	1,055,610	2,961,819	4,017,429	547,431	1,946,578	2,494,009
- Drugs and Pharmaceuticals	16,945,506	2,604,387	19,549,893	13,378,877	2,060,672	15,439,549
- Petro-chemicals (excluding under Infrastructure)	6,255,986	3,977,228	10,233,214	6,360,789	4,501,787	10,862,576
- Others	9,306,095	8,746,746	18,052,841	7,564,458	6,514,318	14,078,776
Rubber, Plastic and their Products	4,600,802	3,182,300	7,783,102	4,345,141	4,107,313	8,452,454
Glass & Glassware	1,685,863	963,066	2,648,929	2,095,373	626,651	2,722,024
Cement and Cement Products	6,365,695	1,819,657	8,185,352	1,826,010	826,578	2,652,588
Basic Metal and Metal Products	39,081,793	26,494,429	65,576,222	34,454,625	28,814,016	63,268,641
<i>Of which:</i>						
- Iron and Steel	14,781,090	16,017,293	30,798,383	16,171,792	15,948,107	32,119,899
- Other Metal and Metal Products	24,300,703	10,477,136	34,777,839	18,282,833	12,865,909	31,148,742
All Engineering	32,814,238	33,782,736	66,596,974	26,863,751	27,599,553	54,463,304
<i>Of which:</i>						
- Electronics	8,873,157	12,525,769	21,398,926	8,698,089	11,825,138	20,523,227
- Others	23,941,081	21,256,967	45,198,048	18,165,662	15,774,415	33,940,077
Vehicles, Vehicle Parts and Transport Equipments	16,788,661	9,557,057	26,345,718	16,674,758	7,839,159	24,513,917
Gems and Jewellery	8,789,332	4,562,727	13,352,059	8,822,646	3,994,691	12,817,337
Construction	13,327,077	10,537,951	23,865,028	11,269,219	10,108,660	21,377,879
Infrastructure	48,794,147	46,058,964	94,853,111	54,756,520	41,396,667	96,153,187
<i>Of which:</i>						
- Railways	-	137,017	137,017	-	129,457	129,457
- Roadways	8,908,122	3,227,107	12,135,229	6,257,981	6,727,598	12,985,579
- Aviation	-	15,409,103	15,409,103	88,581	8,244,628	8,333,209
- Waterways	5,490,574	2,967,157	8,457,731	2,460,700	2,221,228	4,681,928
- Other Transport	6,232,262	5,113,551	11,345,813	3,227,066	3,785,168	7,012,234
- State Electricity Boards	-	3,844,773	3,844,773	-	3,219,084	3,219,084
- Other Electricity (generation-transportation and distribution)	37,371	-	37,371	242,194	-	242,194
- Gas/LNG (storage and pipeline)	332,530	89,351	421,881	488,519	207,314	695,833
- Other Energy	2,440,588	3,026,379	5,466,967	3,640,186	2,476,257	6,116,443
-Telecommunication	21,941,001	12,131,529	34,072,530	36,066,261	14,238,740	50,305,001
- Other Infrastructure	3,411,699	112,997	3,524,696	2,285,032	147,193	2,432,225
Trading & NBFC	47,864,505	5,168,370	53,032,875	63,586,308	17,195,842	80,782,150
Mortgage	80,420,168	-	80,420,168	70,913,552	-	70,913,552
Retail Others	49,586,221	-	49,586,221	51,678,395	-	51,678,395
Real Estate	-	2,927,102	2,927,102	54,228,927	2,838,383	57,067,310
Other Industries	137,069,861	106,731,652	243,801,513	59,415,990	91,349,604	150,765,594
Total Gross Advances	600,410,507	305,363,220	905,773,727	551,900,075	285,057,042	836,957,117
Specific provisions	(28,203,512)	(737)	(28,204,249)	(11,118,392)	(737)	(11,119,129)
Total Net Advances	572,206,995	305,362,483	877,569,478	540,781,683	285,056,305	825,837,988
Total Inter-bank exposures	6,588,607	-	6,588,607	22,494,615	-	22,494,615
Total Investments (HTM)	-	-	-	-	-	-

Fund based exposure comprises loans and advances, inter-bank exposures and HTM Investments. Non-fund based exposure comprises guarantees, acceptances, endorsements and letters of credit.

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

d) Analysis of residual contractual maturity of assets

As at 30 September 2012

(Rs. in 000s)

	Cash and Bank balances with RBI	Balances with Banks and money at call and short notice	Investments	Advances	Fixed Assets	Other Assets
1day (d)	13,057,126	6,731,054	67,298,328	26,779,798	-	22,842,968
2d-7d	1,334,181	14,000	8,563,313	43,360,923	-	911,133
8d - 14d	1,591,102	153,060	7,704,285	53,568,796	-	-
15d - 28d	2,978,351	134,500	14,421,488	28,888,116	-	3,060,103
29d - 3month(m)	6,283,057	548,000	42,224,557	88,693,056	-	34,743,955
3m - 6m	2,991,991	-	35,878,689	74,300,836	-	44,865,733
6m - 1year (y)	5,049,388	-	25,822,066	32,540,742	-	61,153,361
1y - 3y	8,626,927	8,000	41,807,699	81,703,768	-	42,854,381
3y - 5y	83,049	-	16,086,847	35,761,857	-	25,485,716
> 5y	1,848,402	-	9,395,219	106,512,526	24,862,890	27,418,480
Total	43,843,574	7,588,614	269,202,491	572,110,418	24,862,890	263,335,830

As at 30 September 2011

(Rs. in 000s)

	Cash and Bank balances with RBI	Balances with Banks and money at call and short notice	Investments	Advances	Fixed Assets	Other Assets
1day (d)	10,263,016	12,718,040	81,629,417	12,685,683	-	14,577,320
2d-7d	1,892,375	5,091,500	8,689,615	44,356,562	-	2,302,172
8d - 14d	2,074,789	3,187,075	8,299,156	51,043,623	-	1,702,884
15d - 28d	2,780,510	316,500	11,122,039	26,633,559	-	4,459,609
29d - 3month(m)	6,186,478	1,181,500	35,811,808	104,243,335	-	44,032,271
3m - 6m	5,438,859	-	28,674,659	64,144,005	-	39,578,954
6m - 1year (y)	6,546,457	-	26,185,828	44,551,214	-	76,253,173
1y - 3y	10,391,298	-	43,779,902	64,999,612	-	67,245,981
3y - 5y	57,110	-	4,186,431	27,141,607	-	51,762,492
> 5y	1,980,088	-	6,225,008	100,225,841	26,910,262	19,906,859
Total	47,610,980	22,494,615	254,603,863	540,025,041	26,910,262	321,821,715

The above has been prepared on similar guidelines as used for the statement of structural liquidity.

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

e) Details of Non-Performing Assets (NPAs) - Gross and Net

(Rs. in 000s)

Particulars	30.09.2012	30.09.2011
Sub Standard	5,933,049	6,594,862
Doubtful	5,836,206	5,536,863
- <i>Doubtful 1</i>	4,113,080	3,826,071
- <i>Doubtful 2</i>	1,308,599	1,436,490
- <i>Doubtful 3</i>	414,527	274,302
Loss	19,480,934	1,919,835
Gross NPAs	31,250,189	14,051,560
Provisions	(28,203,512)	(11,868,392)
Net NPAs	3,046,677	2,183,168
Cover ratio	90.25%	84.46%

f) NPA Ratios

	30.09.2012	30.09.2011
Gross NPAs to gross advances	5.20%	2.55%
Net NPAs to net advances	0.53%	0.40%

g) Movement of NPAs

(Rs. in 000s)

Particulars	30.09.2012		30.09.2011	
	Gross	Net	Gross	Net
Balance, beginning of the year	32,121,562	3,868,066	11,477,884	1,318,896
Additions during the year	6,494,332	2,024,399	4,940,459	1,651,504
Reductions during the year	(7,365,705)	(2,845,788)	(2,366,783)	(787,232)
Balance, end of half year	31,250,189	3,046,677	14,051,560	2,183,168

h) Movement of provisions for NPAs

(Rs. in 000s)

	30.09.2012	30.09.2011
Balance, beginning of the year	28,253,496	10,158,988
Add: Provisions during the year	5,177,288	3,297,095
Less: Utilisation / writeback of provisions no longer required	(5,227,272)	(1,587,691)
Balance, end of half year	28,203,512	11,868,392

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

i) Amount of non-performing Investments and amount of provisions held for non-performing investments
(Rs. in 000s)

	30.09.2012	30.09.2011
Balance, beginning of the year	45,092	45,092
Additions during the year	10,581	-
Reductions during the year	-	-
Balance, end of half year	55,673	45,092
Total provisions held at the end of half year	45,092	45,092

j) Movement of provisions for depreciation on investments
(Rs. in 000s)

	30.09.2012	30.09.2011
Balance, beginning of the year	1,268,109	2,800,307
Add: Provisions during the year	-	42,704
Less: Utilisation / writeback of provisions no longer required	(1,222,876)	(617,278)
Balance, end of the year	45,233	2,225,733

4. Credit Risk: Disclosures for portfolios subject to the standardised approach

Analysis of outstanding credit exposures (after considering credit mitigation) and credit risk by regulatory risk weight

As at 30 September 2012 (Rs. in 000s)

Nature & category of exposures	Total gross credit exposure	Credit risk mitigation	Net exposure (before provision)	Credit risk weight buckets summary			Deduction from capital
				< 100%	100%	> 100%	
Inter bank exposures	6,588,607	-	6,588,607	6,588,607	-	-	-
Investments (HTM)	-	-	-	-	-	-	-
Advances	600,410,507	(9,377,803)	591,032,704	89,591,469	427,691,340	73,749,895	-
Total fund based exposures	606,999,114	(9,377,803)	597,621,311	96,180,076	427,691,340	73,749,895	-
Fx and derivative contracts	488,350,438	-	488,350,438	386,190,043	101,348,437	811,958	-
Guarantees, Acceptances, endorsements and other obligations	305,363,220	(13,815,742)	291,547,478	70,770,720	211,641,041	7,807,209	1,328,508
Undrawn Commitments and others	38,464,634	-	38,464,634	2,527,930	35,196,357	-	740,347
Total non fund based exposures	832,178,292	(13,815,742)	818,362,550	459,488,693	348,185,835	8,619,167	2,068,855

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

As at 30 September 2011

(Rs. in 000s)

Nature & category of exposures	Total gross credit exposure	Credit risk mitigation	Net exposure (before provision)	Credit risk weight buckets summary			
				< 100%	100%	> 100%	Deduction from capital
Inter bank exposures	22,494,615	-	22,494,615	22,494,615	-	-	-
Investments (HTM)	-	-	-	-	-	-	-
Advances	551,900,075	(6,300,706)	545,599,369	81,895,393	411,056,993	52,646,983	-
Total fund based exposures	574,394,690	(6,300,706)	568,093,984	104,390,008	411,056,993	52,646,983	-
Fx and derivative contracts	582,203,743	-	582,203,743	474,407,825	107,665,743	130,175	-
Guarantees, Acceptances, endorsements and other obligations	285,057,042	(615,779)	284,441,263	94,741,824	184,770,387	3,600,544	1,328,508
Undrawn Commitments and others	43,510,816	-	43,510,816	5,922,988	36,854,654	6,101	727,073
Total non fund based exposures	910,771,601	(615,779)	910,155,822	575,072,637	329,290,784	3,736,820	2,055,581

5. Credit risk mitigation: Disclosures for standardised approaches

(Rs. in 000s)

	30.9.2012	30.9.2011
Exposure covered by eligible financial collateral after application of haircuts	45,110,261	5,772,522
Exposure covered by guarantees	11,944,190	8,260,085

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

6. Securitisation: Disclosure for standardised approach

6.1. Banking Book

a) The outstanding exposures securitised by the Bank as on 30 September 2012: Rs. 3,803,166 (Previous Year: Rs. 4,243,503).

b) Securitisation losses recognised by the Bank during period ending 30 September 2012

(Rs. in 000s)		
Exposure Type	Underlying Security Outstanding	Losses
Corporate Loans	375,000	(514)
(Rs. in 000s)		
Exposure Type	Underlying Security Outstanding	Losses
Corporate Loans	-	-

c) Assets intended to be securitised within a year – NIL (Previous Year: NIL).

The securitisation transactions are undertaken on a need basis to meet the objectives as disclosed above.

d) The total amount of exposures securitised with unrecognised gain / (loss)

(Rs. in 000s)		
Exposure Type	Outstanding	Unrecognised gain /(loss)
Housing Loans	3,083,556	54,774
Corporate Loans	719,610	26
(Rs. in 000s)		
Exposure Type	Outstanding	Unrecognised gain /(loss)
Housing Loans	4,074,708	68,472
Corporate Loans	168,795	123

e) Securitisation exposures retained or purchased

(Rs. in 000s)		
Exposure Type	On Balance Sheet	Off Balance Sheet
Housing Loans	740,347	1,328,508
Corporate Loans		100,000
	740,347	1,428,508
(Rs. in 000s)		
Exposure Type	On Balance Sheet	Off Balance Sheet
Housing Loans	755,104	1,328,508
Vehicle Loans		-
Total	755,104	1,328,508

f) Aggregate amount of securitisation exposures retained or purchased and the associated capital charges

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

As at 30 September 2012				(Rs. in 000s)
Exposure Type	<100% risk weight	100% risk weight	>100% risk weight	Total
Corporate Loans	-	100,000	-	100,000
Capital Charge	-	9,000	-	9,000

As at 30 September 2011				(Rs. in 000s)
Exposure Type	<100% risk weight	100% risk weight	>100% risk weight	Total
Vehicle Loans	-	-	-	-
Capital Charge	-	-	-	-

g) Securitisation exposures deducted from capital

As at 30 September 2012				(Rs. in 000s)
Exposure Type	Exposures deducted entirely from Tier-1 capital	Credit enhancing I/Os deducted from total capital	Other exposures deducted from total capital	
Housing Loans	-	-	2,068,856	

As at 30 September 2011				(Rs. in 000s)
Exposure Type	Exposures deducted entirely from Tier-1 capital	Credit enhancing I/Os deducted from total capital	Other exposures deducted from total capital	
Housing Loans	-	-	2,083,612	

6.2. Trading Book

- a) There are no outstanding exposures securitised for which the Bank has retained any exposure which is subject to Market Risk.
- b) Securitisation exposures retained or purchased – On Balance Sheet and Off Balance Sheet.

As at 30 September 2012			(Rs. in 000s)
Exposure Type	On Balance Sheet	Off Balance Sheet	
Vehicle Loans	12,009,508	-	
SME Loans	5,496,182	-	
Total	17,505,690	-	

As at 30 September 2011			(Rs. in 000s)
Exposure Type	On Balance Sheet	Off Balance Sheet	
Vehicle Loans	6,142,594	-	

- c) Securitisation exposures retained or purchased

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

As at 30 September 2012 (Rs. in 000s)

				Total
Exposures subject to Comprehensive Risk Measure for specific risk				17,505,690
	<100% risk weight	100% risk weight	>100% risk weight	Total
Exposures subject to the securitisation framework for specific risk	17,505,690	-	-	17,505,690

As at 30 September 2011 (Rs. in 000s)

				Total
Exposures subject to Comprehensive Risk Measure for specific risk				6,142,594
	<100% risk weight	100% risk weight	>100% risk weight	Total
Exposures subject to the securitisation framework for specific risk	6,142,594	-	-	6,142,594

d) Aggregate amount of the capital requirements for the securitisation exposures

As at 30 September 2012 (Rs. in 000s)

Risk Weight Bands	Capital Requirement
<100% risk weight	316,794
100% risk weight	-
>100% risk weight	-
Total	316,794

As at 30 September 2011 (Rs. in 000s)

Risk Weight Bands	Capital Requirement
<100% risk weight	110,567
100% risk weight	-
>100% risk weight	-
Total	110,567

e) Securitisation exposures deducted from capital

As at 30 September 2012 (Rs. in 000s)

Exposure Type	Exposures deducted entirely from Tier-1 capital	Credit enhancing I/Os deducted from total capital	Other exposures deducted from total capital
	-	-	-

As at 30 September 2011 (Rs. in 000s)

Exposure Type	Exposures deducted entirely from Tier-1 capital	Credit enhancing I/Os deducted from total capital	Other exposures deducted from total capital
	-	-	-

7. Interest Rate Risk in the Banking Book (IRRBB)

Risk review and disclosures under Basel II Framework for the year ended 30 September 2012

Interest rate risk from across the non-trading book portfolios is transferred to FM where it is managed by the local ALM desk under the supervision of ALCO. The ALM desk deals in the market in approved financial instruments in order to manage the net interest rate risk, subject to approved VaR and risk limits. VaR and stress tests are applied to non-trading book exposures in the same way as for the trading book. Impact on earnings for upward/downward rate shock of 200 basis points test is done every quarter end.

Impact on earnings for upward/downward rate shock of 200 basis points, broken down by currency, is as follows:

As at 30 September 2012		(Rs. in 000s)	
Currency	If interest rates were to go up by 200 basis points	If interest rates were to go down by 200 basis points	
INR	744,879	(744,879)	
USD	(113,638)	113,638	
EUR	(19,463)	19,463	
GBP	(170,987)	170,987	
JPY	(23,565)	23,565	
Total	417,226	(417,226)	

As at 30 September 2011		(Rs. in 000s)	
Currency	If interest rates were to go up by 200 basis points	If interest rates were to go down by 200 basis points	
INR	691,028	(691,028)	
USD	9,056	(9,056)	
EUR	(76,896)	76,896	
GBP	(61,719)	61,719	
JPY	(13,949)	13,949	
Total	547,520	(547,520)	