केनरा बैंक Canara Bank

BASEL II (PILLAR 3) DISCLOSURES

TABLE DF 1 - SCOPE OF APPLICATION

Quantitative Disclosures:

(c) 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

(d) 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.

Name: Canara HSBC OBC life insurance company Ltd.
Country of Incorporation: India
Ownership Interest: Rs 484.50 Crore (51%)

A capital deficiency is the amount by which actual capital is less than the regulatory capital requirement. Any deficiencies, which have been deducted on a group level in addition to the investment in such subsidiaries, shall not be included in the aggregate capital deficiency.

TABLE DF 2 - CAPITAL STRUCTURE

Quantitative Disclosures:

Sl No	Items	Amount (₹ in crores) 30.09.2013	30.09.2012
(a)	The amount of Tier I Capital, with separate disclosure of		
	▪ Paid-up Share Capital	443.00	443.00
	▪ Reserves	22097.25	20104.14
	▪ Innovative Instruments ($)	1589.60	1589.60
	▪ Other Capital Instruments		
	Sub -total	**24129.85**	**22136.74**
	▪ Less amounts deducted from Tier I Capital, including Goodwill and Investments.	365.03	353.65
	Total Tier I capital	**23764.82**	**21783.09**
(b)	The total amount of Tier II Capital (net of deductions from Tier II Capital)	6070.16	6447.55
(c)	Debt Capital Instruments eligible for inclusion in Upper Tier II Capital		
	▪ Total amount outstanding	3565.11	3322.30
	▪ Of which amount raised during the current year	--	--
	▪ Amount eligible to be reckoned as capital funds	2439.06	2757.84
(d)	Subordinated Debt eligible for inclusion in Lower Tier II Capital.		
	▪ Total amount outstanding	3688.50	3763.95
	▪ Of which amount raised during the current year	--	--
	▪ Amount eligible to be reckoned as capital funds	1540.00	2097.70
(e)	Other deductions from Capital, if any.	--	--
(f)	*Total eligible Capital - Tier I+ Tier II (a+b-e)*	***29834.98***	***28230.64***

($) Innovative Perpetual Debt Instruments and any other type of instruments that may be allowed from time to time.

TABLE DF 3 - CAPITAL ADEQUACY

Quantitative Disclosures:

Sl No	Items		Amount (₹ in crores) 30.09.2013	30.09.2012
(a)	Capital requirements for Credit Risk			
	▪	Portfolios subject to Standardized Approach	21430.90	16485.26
	▪	Securitization Exposures	113.78	NIL
(b)	Capital requirements for Market Risk - Standardized Duration Approach			
	▪	Interest Rate Risk	1086.69	1245.57
	▪	Foreign Exchange Risk (including Gold)	42.93	6.75
	▪	Equity Risk	296.68	290.94
(c)	Capital requirements for Operational Risk			
	- Basic Indicator Approach		1539.46	1406.53
(d)	Total & Tier I CRAR for the Bank			
	▪	Total CRAR (%)	10.96	13.07
	▪	Tier I CRAR (%)	8.73	10.09
(e)	Total & Tier I CRAR for the Consolidated Group			
	▪	Total CRAR (%)	-	-
	▪	Tier I CRAR (%)	-	-
(f)	Total & Tier I CRAR for the Significant Subsidiary which are not under Consolidated Group			
	▪	Total CRAR (%)	NA	NA
	▪	Tier I CRAR (%)	NA	NA

TABLE DF 4 - CREDIT RISK: GENERAL DISCLOSURES

Quantitative Disclosures:

(a) Total Gross Credit Exposures

Overall Credit exposure	Amount (₹ in crores)			
	Fund Based Exposures		Non-fund Based Exposures	
	30.09.2013	30.09.2012	30.09.2013	30.09.2012
Total Gross Credit Exposures (after accounting offsets in accordance with the applicable accounting regime and without taking into account the effects of Credit Risk Mitigation techniques, e.g. collateral and netting)	283024.27	217419.72	225753.98	237684.70 **

**Figures regrouped

(b) Geographic Distribution of Exposures:

Exposures	Amount (₹ in crores)			
	FUND BASED		NON-FUND BASED	
	30.09.2013	30.09.2012	30.09.2013	30.09.2012
Domestic operations	263357.40	204359.57	217141.42	230948.34
Overseas operations	19666.87	13060.15	8612.56	6736.36
Total	283024.27	217419.72	225753.98	237684.70

(c) Industry Type Distribution of Exposures (Global)

(₹ in crores)

SL NO.	INDUSTRY	FUND BASED OUTSTANDING		NON FUND BASED OUTSTANDING	
		30.09.2013	30.09.2012	30.09.2013	30.09.2012
1.1	Mining and Quarrying	2827	2066	432	253
1.2	Food Processing	6673	4379	436	357
	1.2.1 Sugar	2038	1447	58	86
	1.2.2 Edible Oils and Vanaspati	679	172	123	46
	1.2.3 Tea	127	135	82	70
	1.2.4 Others	3829	2625	173	155
1.3	Beverage & Tobacco	693	684	19	27
1.4	Textiles	12953	10893	1408	1374
	1.4.1 Cotton Textiles	5777	4743	291	249
	1.4.2 Jute Textiles	136	133	32	8
	1.4.3 Other Textiles	7040	6017	1085	1117
1.5	Leather & Leather Products	1053	872	52	53
1.6	Wood and Wood Products	503	296	135	118
1.7	Paper & Paper Products	2313	1818	81	115
1.8	Petroleum, Coal Products and Nuclear Fuels	4400	4020	3619	1808
1.9	Chemicals and Chemical Products	4873	2972	685	2263
	1.9.1 Fertilizer	302	172	93	47
	1.9.2 Drugs & Pharmaceuticals	2102	1395	286	1970
	1.9.3 Petro Chemicals	579	118	10	11
	1.9.4 Others	1890	1287	296	235
1.10	Rubber, Plastic & their Products	1427	1316	172	132
1.11	Glass and Glassware	178	104	11	2

(₹ in crores)					
SL NO.	INDUSTRY	FUND BASED OUTSTANDING		NON FUND BASED OUTSTANDING	
		30.09.2013	30.09.2012	30.09.2013	30.09.2012
1.12	Cement and Cement Products	1196	943	39	89
1.13	Basic Metal and Metal Products	20103	15676	4002	3541
	1.13.1 Iron and Steel	13903	9782	3199	2602
	1.13.2 Other Metal and Metal Products	6200	5894	803	939
1.14	All Engineering	8016	6920	5480	5214
	1.14.1 Electronics	1781	719	1063	950
	1.14.2 Electricity	1843	2085	1920	2005
	1.14.3 Others	4392	4116	2497	2259
1.15	Vehicles, Vehicle Parts and Transport Equipments	3234	2083	431	302
1.16	Gems & Jewellery	2152	1337	1621	1650
1.17	Construction	4629	3927	4025	2146
1.18	Infrastructure	60362	42154	4166	4811
	1.18.1 Power	39414	24377	3556	4041
	1.18.2 Telecommunications	7669	7266	334	483
	1.18.3 Roads	6062	5746	11	168
	1.18.4 Airports	1155	*	0	*
	1.18.5 Ports	623	972	2	67
	1.18.6 Railways (other than Indian Railways)	882	*	117	*
	1.18.7 Other Infrastructure	4557	3793	146	52
1.19	Other Industries	19493	26515	1050	885
	INDUSTRY (Total of Small, Medium and Large Scale)	157078	128975	27864	25140

*Exposure to Airports & Railways as on 30.09.2012 included in other infrastructure.

Credit Exposure of industries where outstanding exposure is more than 5% of the Total Gross Credit Exposure of the Bank is as follows:

Sl No	Industry	Total Exposure (₹. in Crores)	% of Total Gross Credit Exposure
1	Power	42970	8.45%

(d) Residual Contractual Maturity Breakdown of Assets (Global)

			₹. in Crores
Maturity Pattern	Advances	Investments	Foreign Currency Assets
0 to 1 day	9473.88 (5540.30)	0.00 (9.67)	3940.16 (228.90)
2 to 7 days	11953.40 (6123.41)	562.57 (513.22)	1454.43 (2078.18)
8 to 14 days	10154.21 (6540.65)	153.59 (555.72)	716.23 (407.07)
15 to 28 days	12045.56 (5536.32)	680.71 (2100.07)	1532.72 (1242.16)
29 days to 3 months	22913.82 (19766.27)	3355.65 (47947.22)	7374.20 (6447.05)
Over 3 months & upto 6 months	25445.81 (17324.38)	4175.79 (4713.00)	8041.47 (3775.95)
Over 6 months & upto 1 year	35070.17 (31634.64)	1306.01 (2046.78)	4895.38 (1715.61)
Over 1 year & upto 3 years	77267.30 (54878.70)	12552.58 (5972.40)	3589.55 (921.50)
Over 3 year & upto 5 years	26910.34 (23597.66)	12213.43 (17916.31)	1243.54 (1971.18)
Over 5 years	49869.98 (44808.67)	81498.61 (35736.26)	1216.38 (2353.89)
Without Maturity	0 0	3091.15 (3778.50)	0 0
Total	281104.47 (215751.01)*	119590.09 (121289.15)	34004.06 (21141.49)

*Figures are shown on net basis.
(The figures in brackets relate to previous year-30.09.2012).

(e) Non-Performing Assets:

Sl No	Items	Amount (₹ in crores) 30.09.2013	30.09.2012
a)	Gross NPAs	7475.00	5609.53
	Sub-Standard	4770.00	3552.16
	Doubtful 1	1669.00	843.24
	Doubtful 2	1036.00	1109.70
	Doubtful 3	0.00	55.86
	Loss	0.00	48.57
b)	Net NPAs	6459.00	4568.56
c)	NPA Ratios		
	▪ Gross NPAs to Gross Advances (%)	2.64	2.58
	▪ Net NPAs to Net Advances (%)	2.30	2.12
d)	Movement of NPAs (gross)		
	▪ Opening balance (1st April of F.Y)	6260.00	4031.75
	▪ Additions	4209.00	3419.00
	▪ Reductions	2993.00	1841.22
	▪ Closing Balance	7475.00	5609.53
e)	Movement of Provisions for NPAs		
	▪ Opening Balance (1st April of F.Y)	932.96	581.13
	▪ Adjustment towards Exchange Fluctuation	50.86	1.07
	▪ Provisions made during the Year	790.09	483.69
	▪ Write-off	749.26	84.89
	▪ write back of excess provisions	50.07	0.00
	▪ Closing Balance	974.58	981.00
f)	Amount of Non-performing Investments	306.00	228.86
g)	Amount of Provisions held for Non-performing Investments	237.75	213.86
h)	Movement of Provisions for Depreciation on Investments		
	▪ Opening Balance (1st April of F.Y)	212.81	237.62
	▪ Provisions made during the period	69.57	37.43
	▪ Write-off	18.26	0.00
	▪ Write Back of excess Provisions	0.42	39.42
	▪ Closing Balance	263.70	235.63

TABLE DF 5 - DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH:

Quantitative Disclosures:

Amount of the Bank's Outstandings (Rated & Unrated) in Major Risk Buckets - under Standardized Approach, after factoring Risk Mitigants (i.e. Collaterals):

Sl No	Particulars	Amount (₹ in crores)			
		FUND BASED		NON-FUND BASED	
		30.09.2013	30.09.2012	30.09.2013	30.09.2012
	Below 100% Risk Weight	113165.34	112108.05	217142.97	192051.93
	100% Risk Weight	96290.76	70157.46	57554.55	37896.88
	More than 100% Risk Weight	74547.74	35154.21	26720.06	5161.65
	Deducted (Risk Mitigants)	64776.30	70761.05	4663.26	2469.74
	TOTAL	219227.54	146658.67	296754.32	232640.72

TABLE DF 6 - CREDIT RISK MITIGATION – STANDARDIZED APPROACH:

Quantitative Disclosures:

SL NO	PARTICULARS	AMOUNT (₹ in crores)	
		30.09.2013	30.09.2012
1	The total exposure (after, where applicable, on- or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts for each separately disclosed credit risk portfolio.	35579.39	46579.11
2	The total exposure (after, where applicable, on- or off-balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI) For each separately disclosed portfolio	33860.17	26651.68

TABLE DF 7- SECURITISATION – STANDARDIZED APPROACH:

Quantitative Disclosures:

BANKING BOOK

Sl No	Particulars	30.09.2013	30.09.2012
NIL			

TRADING BOOK

Sl No	Particulars	30.09.2013	30.09.2012
NIL			

During the year 2004-05, the Bank had sold 6 NPA accounts amounting to ₹ 14.31 crore to Asset Reconstruction company India Limited (ARCIL) and had received Security Receipts for ₹ 14.31 crore. As on 30.09.2013 the Bank holds Security Receipts in respect of 4 accounts having a Book Value of ₹ 5.76 crore which is fully provided for.

TABLE DF 8 - MARKET RISK IN TRADING BOOK- STANDARDIZED MODIFIED DURATION APPROACH:

Quantitative disclosures:

Sl No	Particulars	Amount of capital requirement (₹. in crores)	
		30.09.2013	30.09.2012
(a)	Interest Rate Risk	1086.69	1245.57
(b)	Equity Position Risk	296.68	290.94
(c)	Foreign Exchange Risk	42.93	6.75

TABLE DF 9: OPERATIONAL RISK

Quantitative Disclosure:

The capital requirement for Operational Risk under Basic Indicator Approach is ₹.1539.46 Crores.

TABLE DF 10 - INTEREST RATE RISK IN THE BANKING BOOK (IRRBB):

Quantitative Disclosures:

EARNINGS AT RISK

The following table presents the impact on net interest income of the Bank for an assumed parallel shift of 100 bps in interest rate up to one year across currencies as at 30.09.2013.

		(Amount in ₹. in crore)
Currencies	**Change in interest rate up to 1 Year**	
	30.09.2013	
	-100 bps	**+100 bps**
INR	(-) 427.34	427.34
USD	(-) 62.60	62.60
Others	(-) 14.67	14.67
Total	(-) 504.61	504.61

ECONOMIC VALUE OF EQUITY

	-200 bps	**+200 bps**
Change in Economic Value of Equity	9.45%	(-) 9.45%