

BASEL II (PILLAR 3) DISCLOSURES (SOLO)

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:

SI No	Items	Amount (₹ in crores)	
		30.09.2014	30.09.2013
(a)	The amount of Tier I Capital, with separate disclosure of		
	▪ Paid-up Share Capital	461.26	443.00
	▪ Reserves	22969.61	22097.25
	▪ Innovative Instruments (\$)	1589.60	1589.60
	▪ Other Capital Instruments		
	Sub -total	25020.47	24129.85
	▪ Less amounts deducted from Tier I Capital, including Goodwill and Investments.	368.49	365.03
	Total Tier I capital	24651.98	23764.82
(b)	The total amount of Tier II Capital (net of deductions from Tier II Capital)	9396.02	6070.16
(c)	Debt Capital Instruments eligible for inclusion in Upper Tier II Capital		
	▪ Total amount outstanding	3543.80	3565.11
	▪ Of which amount raised during the current year	--	--
	▪ Amount eligible to be reckoned as capital funds	1917.52	2439.06
(d)	Subordinated Debt eligible for inclusion in Lower Tier II Capital.		
	▪ Total amount outstanding	5425.00	3688.50
	▪ Of which amount raised during the current year	--	--
	▪ Amount eligible to be reckoned as capital funds	3455.00	1540.00
(e)	Other deductions from Capital, if any.	--	--
(f)	Total eligible Capital - Tier I+ Tier II (a+b-e)	34048.00	29834.98
(\$) 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:

SI No	Items	Amount (₹ in crores)	
		30.09.2014	30.09.2013
(a)	Capital requirements for Credit Risk		
	▪ Portfolios subject to Standardized Approach	25057.12	21430.90
	▪ Securitization Exposures	144.88	113.78
(b)	Capital requirements for Market Risk - Standardized Duration Approach		
	▪ Interest Rate Risk	1242.46	1086.69
	▪ Foreign Exchange Risk (including Gold)	63.54	42.93
	▪ Equity Risk	714.93	296.68
(c)	Capital requirements for Operational Risk		
	- Basic Indicator Approach	1657.87	1539.46
(d)	Total & Tier I CRAR for the Bank		
	▪ Total CRAR (%)	10.61%	10.96%
	▪ Tier I CRAR (%)	7.68%	8.73%
(e)	Total & Tier I CRAR for the Consolidated Group		
	▪ Total CRAR (%)	10.83%	11.14%
	▪ Tier I CRAR (%)	7.91%	8.92%
(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	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
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)	313430.99	283024.27	263049.06	225753.98

(b) Geographic Distribution of Exposures:

Exposures	Amount (₹ in crores)			
	FUND BASED		NON-FUND BASED	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Domestic operations	291997.48	263357.40	248852.34	217141.42
Overseas operations	21433.51	19666.87	14196.72	8612.56
Total	313430.99	283024.27	263049.06	225753.98

(c) Industry Type Distribution of Exposures (Global)

(₹ in crores)					
SL NO.	INDUSTRY	FUND BASED OUTSTANDING		NON FUND BASED OUTSTANDING	
		30.09.2014	30.09.2013	30.09.2014	30.09.2013
1.1	Mining and Quarrying	2591.89	2826.73	137.28	431.81
1.2	Food Processing	7556.39	6673.09	526.88	436.12
	1.2.1 Sugar	1720.89	2038.03	70.96	58.00
	1.2.2 Edible Oils and Vanaspati	259.27	678.64	132.37	123.00
	1.2.3 Tea	133.77	127.44	65.48	82.00
	1.2.4 Others	5442.46	3828.98	258.07	173.12
1.3	Beverage & Tobacco	812.61	692.67	20.57	19.00
1.4	Textiles	13156.28	12953.16	883.23	1407.74
	1.4.1 Cotton Textiles	5911.67	5776.64	337.68	291.05
	1.4.2 Jute Textiles	192.69	136.35	16.39	32.00
	1.4.3 Other Textiles	7051.92	7040.17	529.16	1084.69
1.5	Leather & Leather Products	1181.16	1053.27	21.62	52.00
1.6	Wood and Wood Products	492.52	502.52	138.27	135.21
1.7	Paper & Paper Products	1978.12	2313.47	501.04	81.05
1.8	Petroleum, Coal and Nuclear Fuels	2988.95	4400.13	4300.64	3618.93
1.9	Chemicals and Chemical Products	4377.12	4873.06	795.70	685.46
	1.9.1 Fertilizer	103.58	301.92	209.09	93.00
	1.9.2 Drugs & Pharmaceuticals	1745.65	2101.70	257.79	285.98
	1.9.3 Petro Chemicals	561.20	579.39	20.32	10.25
	1.9.4 Others	1966.69	1890.25	308.50	296.23
1.10	Rubber, Plastic & their Products	1432.88	1426.50	192.17	172.40

(₹ in crores)					
SL NO.	INDUSTRY	FUND BASED OUTSTANDING		NON FUND BASED OUTSTANDING	
		30.09.2014	30.09.2013	30.09.2014	30.09.2013
1.11	Glass and Glassware	161.05	178.43	0.90	10.71
1.12	Cement and Cement Products	2158.32	1196.01	40.02	39.00
1.13	Basic Metal and Metal Products	19040.96	20103.04	4362.07	4002.55
	1.13.1 Iron and Steel	11565.40	13903.35	3691.75	3199.23
	1.13.2 Other Metal and Metal Products	7475.56	6199.69	670.32	803.32
1.14	All Engineering	7702.81	8015.63	6013.02	5480.55
	1.14.1 Electronics	862.89	1780.91	844.42	1063.06
	1.14.2 Electricity	2045.10	1842.92	1762.17	1920.49
	1.14.3 Others	4794.82	4391.70	3406.43	2497.00
1.15	Vehicles, Vehicle Parts and Transport Equipments	3479.93	3233.60	724.48	431.02
1.16	Gems & Jewellery	1683.75	2151.75	698.20	1621.39
1.17	Construction	5396.22	4628.63	4444.63	4025.00
1.18	Infrastructure	68849.02	60361.57	4081.02	4165.20
	1.18.1 Power	49039.93	39414.15	3397.68	3555.72
	1.18.2 Telecommunications	6453.54	7668.50	476.05	333.68
	1.18.3 Roads	7575.35	6062.40	47.38	11.00
	1.18.4 Airports	1688.03	1155.00	0.00	0.00
	1.18.5 Ports	831.24	623.00	10.52	2.00
	1.18.6 Railways (other than Indian Railways)	1562.77	882.00	111.43	117.00
	1.18.7 Other Infrastructure	1698.16	4556.52	37.96	145.80
1.19	Other Industries	12206.97	19492.54	798.08	1049.50
	INDUSTRY (Total of Small, Medium and Large Scale)	157246.96	157075.80	28679.82	27864.64

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	52437.61	9.096

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

₹. in Crores			
Maturity Pattern	Advances	Investments	Foreign Currency Assets
0 to 1 day	16465.50 (9473.88)	3048.68 (0.00)	4735.84 (3940.16)
2 to 7 days	10374.30 (11953.40)	2207.76 (562.57)	2579.78 (1454.43)
8 to 14 days	7991.50 (10154.21)	862.72 (153.59)	931.21 (716.23)
15 to 28 days	13296.91 (12045.56)	321.93 (680.71)	2505.42 (1532.72)
29 days to 3 months	25955.06 (22913.82)	3655.68 (3355.65)	11755.07 (7374.20)
Over 3 months & upto 6 months	27573.50 (25445.81)	1607.66 (4175.79)	10537.29 (8041.47)
Over 6 months & upto 1 year	34227.50 (35070.17)	4007.54 (1306.01)	2602.69 (4895.38)
Over 1 year & upto 3 years	78120.44 (77267.30)	17385.05 (12552.58)	4848.39 (3589.55)
Over 3 year & upto 5 years	30926.92 (26910.34)	29362.63 (12213.43)	1686.55 (1243.54)
Over 5 years	65927.91 (49869.98)	80587.71 (81498.61)	2024.75 (1216.38)
Without Maturity	0.00 0.00	3347.95 (3091.15)	0.00 0.00
Total	310859.59 (281104.47)	146395.31 (119590.09)	44206.99 (34004.06)

(The figures in brackets relate to previous year-30.09.2013).

(e) Non-Performing Assets:

Sl No	Items	Amount (₹ in crores)	
		30.09.2014	30.09.2013
a)	Gross NPAs	9164.26	7475.00
	Sub-Standard	5416.13	4770.00
	Doubtful 1	2320.02	1669.00
	Doubtful 2	1428.11	1036.00
	Doubtful 3	0.00	0.00
	Loss	0.00	0.00
b)	Net NPAs	7170.30	6459.00
c)	NPA Ratios		
	▪ Gross NPAs to Gross Advances (%)	2.92	2.64
	▪ Net NPAs to Net Advances (%)	2.31	2.30
d)	Movement of NPAs (gross)		
	▪ Opening balance	7570.21	6260.00
	▪ Additions	5772.64	4209.00
	▪ Reductions	4178.59	2993.00
	▪ Closing Balance	9164.26	7457.00
e)	Movement of Provisions for NPAs		
	▪ Opening Balance	1560.84	932.96
	▪ Adjustment towards Exchange Fluctuation	2.12	50.86
	▪ Provisions made during the Year	2247.43	790.09
	▪ Write-off	1853.48	749.26
	▪ write back of excess provisions	0.00	50.07
	▪ Closing Balance	1952.67	974.58
f)	Amount of Non-performing Investments	274.25	306.00
g)	Amount of Provisions held for Non-performing Investments	252.99	237.75
h)	Movement of Provisions for Depreciation on Investments		
	▪ Opening Balance (1 st April of F.Y)	223.64	212.81
	▪ Provisions made during the period	30.12	69.57
	▪ Write-off	0.00	18.26
	▪ Write Back of excess Provisions	0.19	0.42
	▪ Closing Balance	253.57	263.70

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):

SI No	Particulars	Amount (₹ in crores)			
		FUND BASED		NON-FUND BASED	
		30.09.2014	30.09.2013	30.09.2014	30.09.2013
	Below 100% Risk Weight	356732.74	113165.34	72018.04	217142.97
	100% Risk Weight	83154.57	96290.76	37789.19	57554.55
	More than 100% Risk Weight	54727.03	74547.74	28644.60	26720.06
	Deducted (Risk Mitigants)	37485.24	64776.30	11100.47	4663.26
	TOTAL	457129.10	219227.54	127351.35	296754.32

TABLE DF 6 - CREDIT RISK MITIGATION – STANDARDIZED APPROACH:

Quantitative Disclosures:

SL NO	PARTICULARS	AMOUNT (₹ in crores)	
		30.09.2014	30.09.2013
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.	47354.60	35579.39
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	30328.47	33860.17

TABLE DF 7- SECURITISATION – STANDARDIZED APPROACH:

Quantitative Disclosures:

BANKING BOOK

		Amount (₹ in Crores)			
SI No	PARTICULARS	30.09.2014		30.09.2013	
(d)	The total amount of exposures securitized by the Bank.	1609.82		1264.22	
(e)	For exposures securitized losses recognized by the Bank during the current period broken by the exposure type (e.g. Credit Cards, Housing Loans, Auto Loans etc. detailed by underlying security):	Amount (₹ in Crores)			
		Exposure Outstanding		Recognized gains / losses	
		30.09.2014	30.09.2013	30.09.2014	30.09.2013
	Housing Loans	8,18.90	650.22	0.00	0.00
	MSME Loans	790.92	614.00	0.00	0.00
	Total	1609.82	1264.22	0.00	0.00
(f)	Amount of assets intended to be securitized within a year	NIL		NIL	
(g)	Of (f), amount of assets originated within a year before Securitisation.	NIL		NIL	
(h)	The total amount of exposures securitized (by exposure type) and unrecognized gain or losses on sale by exposure type	NIL		NIL	
(i)	Aggregate amount of:				
	• On-balance sheet Securitisation Exposures retained or purchased broken down by exposure type:	Amount (₹ in Crores)			
		Exposure Outstanding			
		30.09.2014	30.09.2013		
	Housing Loans	818.90	650.22		
	MSME Loans	790.92	614.00		
	Total	1609.82	1264.22		
	• Off-balance sheet Securitisation Exposures broken down by exposure type	NIL		NIL	
(j)	(i) Aggregate amount of Securitisation Exposures retained or purchased and the associated capital charges, broken down between exposures and further broken down into different risk weight bands for each regulatory capital approach as on 30.09.2014	Amount (₹ in Crores)			
		< 100% risk weights	100% risk weights	> 100% risk weights	Capital Charge @ 9%
	Housing Loans	0.00	818.90 (650.22)	0.00	73.70 (58.52)
	MSME Loans	0.00	790.92 (614.00)	0.00	71.18 (52.26)
	Total	0.00	1609.82 (1264.22)	0.00	144.88 (113.78)

(The figures in brackets relate to the previous year.)

(ii) Exposures that have been deducted entirely from Tier 1 Capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type).	NIL	NIL
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TRADING BOOK

Amount (₹ in Crores)																									
SI No	PARTICULARS	30.09.2014	30.09.2013																						
(k)	Aggregate amount of exposures Securitized by the Bank for which the Bank has retained some exposures and which is subject to the Market Risk approach, by exposure type.	1961.26	1107.55																						
(l)	Aggregate amount of:																								
	• On-balance sheet Securitisation Exposures retained or purchased broken down by exposure type; and	1961.26	1107.55																						
	• Off-balance sheet Securitisation Exposures broken down by exposure type	NIL	NIL																						
(m)	Aggregate amount of Securitisation Exposures retained or purchased separately for:																								
	• Securitisation Exposures retained or purchased subject to Comprehensive Risk Measure for Specific Risk; and	1961.26	1107.55																						
	• Securitization Exposures subject to the securitisation framework for Specific Risk broken down into different risk weight bands.																								
	Amount (₹ in Crores)																								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="width: 10%;">SI No</th> <th rowspan="2" style="width: 45%;">Risk Weight Bands</th> <th colspan="2" style="text-align: center;">Exposure</th> </tr> <tr> <th style="width: 17.5%;">30.09.2014</th> <th style="width: 17.5%;">30.09.2013</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>< 100% Risk Weight</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> </tr> <tr> <td style="text-align: center;">2</td> <td>100% Risk Weight</td> <td style="text-align: center;">0.00</td> <td style="text-align: center;">0.00</td> </tr> <tr> <td style="text-align: center;">3</td> <td>> 100% Risk Weight</td> <td style="text-align: center;">1961.26</td> <td style="text-align: center;">1107.55</td> </tr> <tr> <td style="text-align: center;">4</td> <td style="text-align: right;">Total</td> <td style="text-align: center;">1961.26</td> <td style="text-align: center;">1107.55</td> </tr> </tbody> </table>	SI No	Risk Weight Bands	Exposure		30.09.2014	30.09.2013	1	< 100% Risk Weight	0.00	0.00	2	100% Risk Weight	0.00	0.00	3	> 100% Risk Weight	1961.26	1107.55	4	Total	1961.26	1107.55		
SI No	Risk Weight Bands			Exposure																					
		30.09.2014	30.09.2013																						
1	< 100% Risk Weight	0.00	0.00																						
2	100% Risk Weight	0.00	0.00																						
3	> 100% Risk Weight	1961.26	1107.55																						
4	Total	1961.26	1107.55																						
(n)	Aggregate amount of:																								
	• The capital requirements for the Securitisation Exposures, subject to the securitisation framework broken down into different risk weight bands.																								
	Amount (₹ in Crores)																								
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SI No	Risk Weight Bands			Capital Requirement																					
		30.09.2014	30.09.2013																						
1	< 100% Risk Weight	0.00	0.00																						
2	100% Risk Weight	0.00	0.00																						
3	> 100% Risk Weight	264.77	149.51																						
4	Total	264.77	149.51																						
	• Securitisation Exposures that are deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type).	NIL	NIL																						

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

Quantitative disclosures:

Sl No	Particulars	Amount of capital requirement (₹. in crores)	
		30.09.2014	30.09.2013
(a)	Interest Rate Risk	1242.46	1086.69
(b)	Equity Position Risk	714.93	296.68
(c)	Foreign Exchange Risk	63.54	42.93

TABLE DF 9: OPERATIONAL RISK

Quantitative Disclosure:

The capital requirement for Operational Risk under Basic Indicator Approach is ₹.1657.87 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 30.09.2014.

Currencies	Change in interest rate up to 1 Year	
	-100 bps	+100 bps
INR	(556.26)	5,562.60
USD	(37.12)	371.20
Others	(10.42)	104.20
Total	(603.80)	603.80

ECONOMIC VALUE OF EQUITY

Change in Economic Value of Equity	-200 bps	+200 bps
		7.69%