PUNJAB NATIONAL BANK
Pillar 3 Disclosures (consolidated) under Basel III Framework
as on 31.03.2024

Punjab National Bank (herein after referred to as the 'Bank') is the top consolidated entity in the Banking group to which the Capital Adequacy Framework under Basel III applies. The consolidated financial statements of the group conform, in all material aspects, to Generally Accepted Accounting Principles (GAAP) in India, encompassing applicable statutory provisions, regulatory norms prescribed by Reserve Bank of India (RBI), circulars and guidelines issued by RBI from time to time, Banking Regulation Act 1949, Companies Act, 2013, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and prevailing practices in Banking industry in India.

Table DF-1: Scope of Application

(i) Qualitative Disclosures:

a. List of group entities considered for consolidation

- For accounting scope of consolidation, all the group entities of the Bank are considered for consolidation in accordance with AS 21, Consolidated Financial Statements and AS 23, Accounting for Investments in Consolidated Financial Statements.

- For regulatory scope of consolidation, all the group entities, except insurance and non-financial subsidiaries / joint ventures / associates, are fully consolidated for the purpose of capital adequacy. Regulatory scope of consolidation refers to consolidation in such a way as to result in the assets of the underlying group entities being included in the calculation of consolidated risk- weighted assets of the group.

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	Reasons for difference in the method of consolidation	Reasons for consolidation under only one of the scopes of consolidation
PNB Gilts Ltd. (India)	Yes	Consolidated in accordance with AS-21, Consolidated	Yes	Consolidated in accordance with AS-21, Consolidated	Not applicable	
PNB Investment Services Ltd.						

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	Reasons for difference in the method of consolidation	Reasons for consolidation under only one of the scopes of consolidation
(India)		Financial Statements		Financial Statements		
Punjab National Bank (International) Ltd. (U.K.)						
Druk PNB Bank Ltd (Bhutan)						
PNB Cards and Services Ltd. (India)			No	Not applicable	In terms of Basel III norms para 3.4.2: Non-Financial subsidiary should not be consolidated for the purpose of capital adequacy. Hence, not under the Scope of regulatory Consolidation	
PNB MetLife India Insurance Co Ltd (India)	Yes	Consolidated in accordance with AS-23, Accounting for Investments in Associates in Consolidated Financial Statements	No	Not applicable	Not applicable	Associate: Not under the Scope of regulatory Consolidation
JSC Tengri Bank, Almaty, (Kazakhstan) $						
PNB Housing Finance Ltd, (India)						

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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	Reasons for difference in the method of consolidation	Reasons for consolidation under only one of the scopes of consolidation
Canara HSBC Life Insurance Co. Ltd, (India)	Yes	Consolidated in accordance with AS-23, Accounting for Investments in Associates in Consolidated Financial Statements	No	Not applicable	Not applicable	Associate: Not under Scope of regulatory Consolidation
India SME Asset Reconstruction Co. Ltd, (India)						
Dakshin Bihar Gramin Bank, (India)						
Sarva Haryana Gramin Bank, (India)						
Himachal Pradesh Gramin Bank, (India)						
Punjab Gramin Bank, (India)						
Prathama UP Gramin Bank, (India)						
Assam Gramin						

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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	Reasons for difference in the method of consolidation	Reasons for consolidation under only one of the scopes of consolidation
Vikas Bank, (India)	Yes	Consolidated in accordance with AS-23, Accounting for Investments in Associates in Consolidated Financial Statements	No	Not applicable	Not applicable	Associate: Not under the Scope of regulatory Consolidation
Bangiya Gramin Vikas Bank, (India)						
Manipur Rural Bank, (India)						
Tripura Gramin Bank, (India)						
Everest Bank Ltd., (Nepal)						

$Agency of the Republic of Kazakhstan revoked license of JSC Tengri Bank w.e.f. 18th September, 2020 and is under liquidation.

b. List of group entities not considered for consolidation both under accounting and regulatory scope of consolidation.

(Rs. in millions)

Name of the entity & Country of Incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet)	% 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)
Nil					

(ii) Quantitative Disclosures:

c. List of group entities considered for regulatory consolidation.

(Rs. in millions)

Name of the entity & Country of incorporation	Principle activity of the entity	Total balance sheet equity (As per accounting balance sheet)*	Total balance sheet Assets (As per accounting balance sheet)
PNB Gilts Ltd. (India)	Primary Dealer	13644.01	240652.64
PNB Investment Services Ltd. (India)	Merchant Banking, Corporate Advisory & Debenture Trustee & Security Trustee	507.46	630.02
Punjab National Bank (International) Ltd. (U.K.)	Banking	9006.11	83889.40
Druk PNB Bank Ltd. (Bhutan)	Banking	4224.18	36175.34

*comprises equity share capital and reserves & surplus

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

(Rs. in millions)

Name of the entity & Country of incorporation	Principle activity of the entity	Total balance sheet equity (As per accounting balance sheet)	% of bank's holding in the total equity	Capital deficiencies
Nil				

e. The aggregate amounts (e.g. current book value) of the Bank's total interests in insurance entities, which are risk-weighted:

(Rs. in millions)

Name of the Insurance entities / country of incorporation	Principle activity of the entity	Total balance sheet equity (as per accounting Balance sheet)*	% 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
Canara HSBC Life Insurance Co. Ltd (India)	Life Insurance/ Bancassurance	14188.82	23%	Insignificant impact with either method
PNB Metlife India Insurance Company Ltd (India)	Life Insurance/ Bancassurance	17357.21	30%	Insignificant impact with either method

*comprises equity share capital and reserves & surplus

f. Any restrictions or impediments on transfer of funds or regulatory capital within the banking group:

With regard to restriction and impediments, local laws and regulation of host countries are applicable

Table DF-2: Capital Adequacy

Qualitative Disclosures:

(a)

1. Capital Adequacy

The Bank believes in the policy of total risk management. The bank views the risk management function as a holistic approach whereby risk retention is considered appropriate after giving due consideration to factors such as specific risk characteristics of obligor, inter relationship between risk variables and corresponding return and achievement of various business objectives within the controlled operational risk environment. Bank believes that risk management is one of the foremost responsibilities of top/ senior management. The Board of Directors decides the overall risk management policies and approves the Risk Management Philosophy & Policy, Credit Management & Risk policy, Investment policy, ALM policy, Operational Risk Management policy, Policy for internal capital adequacy assessment process (ICAAP), Credit Risk Mitigation & Collateral Management Policy, Stress Testing Policy and Policy for Mapping Business Lines/Activities, containing the direction and strategies for integrated management of the various risk exposures of the Bank. These policies, inter alia, contain various trigger levels, exposure levels, thrust areas etc.

The Bank has constituted a Board level subcommittee namely Risk Management Committee (RMC). The committee has the overall responsibility of risk management functions and oversees the function of Credit Risk Management Committee (CRMC), Asset Liability Committee (ALCO), Market Risk Management Committee (MRMC) and Operational Risk Management Committee (ORMC). The meeting of RMC is held at least once in a quarter. The bank recognizes that the management of risk is integral to the effective and efficient management of the organization.

2. Credit Risk Management

2.1.1 Credit Risk Management Committee (CRMC) headed by MD & CEO is the top-level functional committee for Credit risk. The committee considers and takes decisions necessary to manage and control credit risk within overall quantitative prudential limit set up by Board. The committee is entrusted with the job of approval of policies on standards for presentation of credit proposal, fine-tuning required in various models based on feedbacks or change in market scenario, approval of any other action necessary to comply with requirements set forth in Credit Risk Management Policy/ RBI guidelines or otherwise required for managing credit risk.

2.1.2 In order to provide a robust risk management structure, the Credit Management and Risk policy of the Bank aims to provide a basic framework for implementation of sound credit risk management system in the bank. It deals with various areas of credit risk, goals to be achieved, current practices and future strategies. As such, the credit policy deals with short term implementation as well as long term approach to credit risk management. The policy of the Bank embodies in itself the areas of risk identification, risk measurement, risk grading techniques, reporting and risk control systems / mitigation techniques and documentation practice.

Zonal Risk Management Cells (ZRMCs) have been set up at zonal level as an extended arm of HO: IRMD to inculcate risk culture at field level in line with Risk Philosophy of the Bank. The new risk assessment structure focuses on complete segregation of credit risk assessment system from credit underwriting by centralizing the risk rating process parallel to Zonal Level under direct control of Integrated Risk Management Division at Head Office, whereas the credit delivery system shall continue through business delivery structure of credit verticals and zones. The segregation of processes had been introduced to create an independent efficient risk assessment and third eye view based calculation of risk over a borrowing entity.

For better support, control & transparent structure of reporting, organization structure in the bank has been revamped. In this regard, Bank has introduced specialized lending branches for catering to loans from Rs 10 lacs to Rs 1 Crore through PNB Loan Point (PLP) in respect of Retail, Agriculture and MSME segments. Mid Corporate Centres (MCC) shall sanction corporate loans above 1 crore upto 10 crore. Corporate Banking Branches (CBBs) shall handle Non Retail Credit proposals above Rs. 10 Crores. LCB & ELCBs for loans above 50 crores and 500 crores respectively have been put in place. All loan proposals falling under the powers of MCC, Circle Office, Zonal Office and Head office are considered by Credit Approval Committees.

2.1.3 Bank has developed comprehensive risk rating system that serves as a single point indicator of diverse risk factors of counterparty and for taking credit decisions in a consistent manner. The risk rating system is drawn up in a structured manner, incorporating different factors such as borrower’s specific characteristics, industry specific characteristics etc. Risk rating system applicable to all borrowers with total limits above Rs.100 Lacs w.e.f. 07.05.2022 (previously the minimum threshold for considering Internal Risk Ratings was above Rs.50 Lacs). Bank is undertaking periodic validation exercise of its rating models and also conducting migration of Internal Risk Ratings and default rate analysis to test robustness of its internal risk rating models.

Small & Medium Enterprise (SME), Retail advances and lending to agriculture are subjected to scorecard assessment which support “Accept/ Reject” decisions based on the scores obtained. All eligible SME, Retail loan and Agriculture lending applications are necessarily to be evaluated under score card system. All rating models/ scorecards developed by the Bank are online at Bank’s central server network and can be accessed through any office of the Bank. Additionally, Bank has also developed score cards, for evaluating lending proposals under other schemes/ product arrangements such as co-lending arrangement with NBFCs, digital lending & credit cards and these are placed within the portals being utilized for these products/ arrangements.

To strengthen the credit monitoring landscape, Bank has implemented a new Early Warning system i.e., PNB SAJAG 2.0, a fully digitized and automated Early Warning Signal (EWS), which monitors all eligible borrowal accounts through 133 early warning signals (including 42 EWS prescribed by RBI and 85 EWS prescribed by DFS), powered by automated continuous flow of both internal and external data.

In addition to these 133 alerts, PNB SAJAG 2.0 also incorporates 27 overrides, to highlight certain critical risk parameters, which if invoked, escalates the EWS score of the borrower to pre-defined levels. These 133 alerts have been categorized into 4 severity categories, viz. Critical, High, Medium and Low, and timelines for closure of alerts falling under each of these categories have been prescribed.

PNB SAJAG 2.0 also displays last 5-year financials, key ratios, list of suspicious transactions, round-tripping transactions, transactions with suppliers and clients, any cases pending in NCLT, etc. for each borrower. Further, the system also provides intuitive graphical time charts for trends in key risk factors such as transaction count, Drawing Power, Key financial ratios, etc. to provide a 360-degree view on the borrower.

2.1.4 Bank has implemented enterprise-wide data warehouse (EDW) project, to cater to the requirement for the reliable and accurate historical data base and to implement the sophisticated risk management solutions/ techniques and the tools for estimating risk components {PD (Probability of Default), LGD (loss Given Default), EAD (Exposure at Default)} and quantification of the risks in the individual exposures to assess risk contribution by individual accounts in total portfolio and identifying buckets of risk concentrations.

2.1.5 As an integral part of Risk Management System, Bank has put in place a well-defined Loan Review Mechanism (LRM). This helps bring about qualitative improvements in credit administration. A separate Division known as Credit Audit & Review Division has been formed to ensure LRM implementation.

2.1.6 The risk rating and vetting process is done independent of credit appraisal function to ensure its integrity and independency. The rating category wise portfolio of loan assets is reviewed on quarterly basis to analyze mix of quality of assets etc.

2.1.7 The bank has implemented the Standardized Approach of credit risk for RWA computation as per RBI extant guidelines and further we are in the process of adoption of Internal Rating Based Approaches (IRB). Bank has received approval from RBI for adoption of Foundation Internal Rating Based Approach (FIRB) on parallel run basis w.e.f. 31.07.2013. Further, bank has placed notice of intention to RBI for implementing Advanced Internal Rating Based (AIRB) approach for credit risk.

Major initiatives taken for implementation of IRB approach are as under:

- For corporate assets class, bank has estimated the PD (Probability of Default) based upon model wise default rates viz. Large Corporate and Mid Corporate borrowers using Maximum likelihood estimator (MLE). For retail asset class, PD is computed for identified homogeneous pool by using exponential smoothing technique.
- LGD (Loss Given Default) values have been calculated by using workout method for Corporate Asset Class as well as for each homogenous pool of Retail Asset Class.
- Bank has also put in place a mechanism to arrive at the LGD rating grade apart from the default rating of a borrower. The securities eligible for LGD rating are identified facility wise and the total estimated loss percentage in the account is computed using supervisory LGD percentage prescribed for various types of collaterals and accordingly LGD rating grades are allotted.
- Benchmarking of Cumulative Default Rates: Benchmark values of cumulative default rates for internal rating grades have been calculated based on the published default data of external rating agencies. The benchmark values is used for monitoring of cumulative default rates of internal rating grades and PD validation.
- Bank has adopted supervisory slotting criteria approach for calculation of capital under specialised lending (SL) exposure falling under corporate asset class.
- Bank has put in place a comprehensive "Credit Risk Mitigation & Collateral Management Policy", which ensures that requirements of FIRB approach are met on consistent basis.
- For Low Default Portfolios, separate model has been deployed and PD is being estimated based on the same, tailored to the unique characteristics of these portfolios. Additionally, Bank has also developed Exposure at Default Model for corporates asset class-based utilizing internally estimated conversion factors to account for the undrawn portion of credit limits.

2.2 Market Risk

2.2.1 The investment policy covering various aspects of market risk attempts to assess and minimize risks inherent in treasury operations through various risk management tools. Broadly, it incorporates policy prescriptions for measuring, monitoring and managing systemic risk, credit risk, market risk, operational risk and liquidity risk in treasury operations.

2.2.2 Besides regulatory limits, the Bank has put in place internal limits and ensures adherence thereof on continuous basis for managing market risk in trading book of the Bank and its business operations. Bank has prescribed entry level barriers, exposure limits, stop loss limits, VaR limits, Duration limits and Risk Tolerance limit for trading book investments. Bank is keeping constant track on

Migration of Credit Ratings of investment portfolio. Limits for exposures to Counterparties, Industry Segments and Countries are monitored. The risks under Forex operations are monitored and controlled through Stop Loss Limits, Overnight limit, Daylight limit, Aggregate Gap limit, Individual Gap limit, Value at Risk (VaR) limit, Inter-Bank dealing and investment limits etc.

2.3 Operational Risk

Basel Committee and subsequently RBI have defined Operational Risk (OR) as “the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events”. This definition includes legal risk, but excludes strategic and reputational risk. The Bank has also adopted the same definition for management of operational risk within the bank.

The Bank has a robust Board approved Operational Risk Management policy with clearly defined roles and responsibilities to mitigate operational risk arising out of the Bank’s business and operations. The Bank adopts three lines of defense model for management of operational risk.

First line of defence are the Business Divisions. These Divisions being owner of various banking activities, take up management of operational risks within their owned activities, undertake actions for management/mitigation of these risks and take any business line/division level decisions with respect to operational risk. They propagate Operational Risk Management (ORM) policies as laid down by the Board. They analyse the findings of Risk & Control Self- Assessment (RCSA), Key Risk Indicators (KRI) & loss events and initiate action for strengthening of internal processes, management/ mitigation of Operational Risk and explore use of insurance and other mitigating options.

Second Line of defence is Risk Management Division which is responsible for framing the Operational Risk Framework/Policy and ensuring implementation thereof. Operational Risk Management Division acts as a repository of Operational Risk Loss Data Base, KRIs, RCSA Surveys results, and uses the same for root cause analyses, Operational Risk Management and Measurement. Certain information collected and published by Control Units like Inspection & Audit Division, Transaction Monitoring Division and Security Department etc. are used to identify, control, monitor and mitigate the operational risk at Bank wide level.

Third line of defence is Inspection & Audit Division which is responsible for independent review and validation of Operational Risk Management Framework (ORMF) and Operational Risk Management System (ORMS) at Bank wide level.

Governance and Organizational Structure for Managing Operational Risk:

Operational Risk Management Committee **(ORMC)** headed by Executive Director looking after Integrated Risk Management Division along with all other EDs and CGMs / GMs of various divisions as members, is the Executive level committee to oversee the operational risk, responses to risk issues and the adequacy and effectiveness of controls within operational risk control area. Operational Risk Management Committee (ORMC) reports to Risk Management Committee **(RMC)** and **Board**. Risk Management Committee (RMC) is a sub-committee of the Board which oversees the overall risk management of the bank.

An independent Operational Risk Management Department **(ORMD)** is a sub-division under Integrated Risk Management Division headed by Group Chief Risk Officer. ORMD is responsible for implementation of ORM Policies for ensuring a strong ORM culture and effective operational risk management across the Bank. It works in co-ordination with the business divisions, control divisions and all other functions of the bank.

With increasing digitization and role of IT in banking operation, the bank has set up IT risk vertical under ORMD to effectively identify, assess, monitor and address ICT risk and build IT operational resilience in the bank.
To address risk and control in product and process, the Bank has a product approval policy. All the product/processes are routed through System and Product Approval Committee of Executives **(SPACE).** The policy defines the roles and responsibilities of First, Second and Third line of defence to establish effective governance for product and processes.

For management of operational risks at HO division level, each business line/division has a Risk Assessment Committee **(RAC).** This committee is headed by Divisional Head of the concerned division. The committee identifies the operational risks present in the existing/new products/processes/activities of that business line/division, take corrective/preventive/pre-emptive steps to monitor and control the Operational Risk within the overall ORM Policy of the Bank.

In order to ensure completeness and correctness of loss data and also to inculcate risk culture deep down the ladder in the Bank, committees named as ‘Checks on Threats to Reduce Op-risk Losses (**CONTROL**) and Joint Action Group on Op-risk Control (**JAGROC**) have been formed at Circle level and Zonal level respectively which also identify and evaluate the internal and external factors that could adversely affect the achievement of Bank’s performance, corporate goals, information system, and compliance objective of the Bank guidelines.

Tools to measure & monitor Operational Risk

Internal Control is an essential pre-requisite for an efficient and effective operational risk management. Bank has clearly laid down policies and procedures to ensure the integrity of its operations, appropriateness of operating systems and compliance with the management policies. Apart from the Operational Risk Management (ORM) Policy and the Policy for approval of New Product, other established Frameworks/Policies for control and mitigation of operational risk includes

1) Policy for Business Continuity Plan (BCP)
2) Policy for Outsourcing of Financial Services
3) Loss Data Collection Framework
4) IT and Information Security Risk Management Framework.
5) Risk & Control Self-Assessment Framework- It's a proactive exercise which helps in identifying control gaps and consequent actions proposed to close the gaps. RCSA is used for identification & mitigation of operational risks, reporting of control deficiencies, monitoring of changes in control environment and assessment of operational risk profile.
6) Business Line Mapping Framework as per Basel defined 8 Business Lines and 7 Loss Event Types.
7) Key Risk Indicator Framework-The indicators have been defined subject to annual review with threshold and monitoring mechanism. These indicators are metrics/ measures that are derived from various factors to indicate an early warning of or to monitor increasing risk or control failures in an activity.
8) Stress testing/Scenario analysis to assess the operational risk impact based on hypothetical severe loss situation.
9) Incident Reporting Mechanism.

Quantitative Disclosures:

(b) Capital requirement for credit risk:

(Rs. in millions)

Particulars	**Amount**
Portfolios subject to standardized approach	714660.48
Securitization exposures	0.00

(c) Capital requirement for market risk (under standardized duration approach):

(Rs. in millions)

Risk Category	**Amount**
i) Interest Rate Risk	31999.81
ii) Foreign Exchange Risk (including Gold)	1455.00
iii) Equity Risk	12832.52
iv) CDS	0.00
Total capital charge for market risks under Standardized duration approach (i + ii + iii + iv)	**46287.33**

(d) Capital requirement for operational risk:

(Rs. in millions)

Capital requirement for operational risk	**Amount**
i) Basic indicator approach	57848.95
ii) The Standardized approach (if applicable)	NA

(e) Common Equity Tier 1, Tier 1 and Total Capital ratios:

Particulars	**Standalone**	**Consolidated**
Common equity Tier 1 Capital ratio	11.04%	11.08%
Tier 1 Capital ratio	13.17%	13.21%
Total Capital ratio (CRAR)	15.97%	16.00%

For Significant Bank Subsidiaries:

Name of subsidiary	**Common equity Tier 1 Capital ratio**	**Tier 1 Capital ratio**	**Total Capital ratio (CRAR)**
PNB Gilts Ltd.	17.64%	17.64%	17.64%
Punjab National Bank (International) Ltd.	11.05%	15.17%	19.92%
PNB Investment Services Ltd.	NA	NA	NA
Druk PNB Bank Ltd.	21.95%	21.95%	23.40%

Table DF- 3: Credit Risk: General Disclosures

(i) Qualitative Disclosures:

(a)

3.1. Any amount due to the Bank under any credit facility is overdue if it is not paid on the due date fixed by the Bank. Further, an impaired asset is a loan or an advance where:

(i) Interest and/or installment of principal remain overdue for a period of more than 90 days in respect of a term loan.

(ii) The account remains out of order in respect of an overdraft/cash credit continuously for a period of 90 days.

An account will be treated as out of order, if:

- the outstanding balance in CC/OD account remains continuously in excess of the sanctioned limit/drawing power for 90 days, or

- the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days, or the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period ('Previous 90 days period' shall be inclusive of the day for which the day-end process is being run).

(iii) The bill remains overdue for a period of more than 90 days in the case of bills purchased & discounted.

(iv) The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops and the installment of principal or interest thereon remains overdue for one crop season for long duration crops in case of direct Agricultural loans.

The classification of an assets as overdue/impaired, reflects the status of an account at the day-end of that calendar date, irrespective of the time of running of such processes.

Credit approving authority, prudential exposure limits, industry exposure limits, credit risk rating system, risk based pricing and loan review mechanisms are the tools used by the Bank for credit risk management. All these tools have been defined in the Credit Management & Risk Policy of the Bank. At the macro level, policy document is an embodiment of the Bank's approach to understand measure and manage the credit risk and aims at ensuring sustained growth of healthy loan portfolio while dispensing the credit and managing the risk.

(ii) Quantitative Disclosures

(b) The total gross credit risk exposures:

(Rs. in millions)

Category	Amount
Fund Based exposure	**11632291.59**
Non Fund Based exposure	**1099961.99**
Total gross credit risk exposure	**12732253.58**

(c) The geographic distribution of exposures:

(Rs. in millions)

Category	Overseas	Domestic
Fund Based exposure	**546812.75**	**11085478.85**
Non Fund Based exposure	**465.49**	**1099496.49**
Total gross credit risk exposure	**547278.24**	**12184975.34**

(d) Industry type distribution of exposures

(i) Industry type fund based exposure is as under:

(Rs. in millions)

Industry Name	Amount
A. Mining and Quarrying	**10771.64**
A.1 Coal	4914.83
A.2 Others	5856.82
B. Food Processing	**271226.07**

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Industry Name	**Amount**
B.1 Sugar	46346.12
B.2 Edible Oils and Vanaspati	27235.48
B.3 Tea	10613.58
B.4 Coffee	726.24
B.5 Others	186304.66
C. Beverages (excluding Tea & Coffee) and Tobacco	**6318.62**
C.1 Tobacco and tobacco products	934.48
C.2 Others	5384.14
D. Textiles	**162089.34**
D.1 Cotton	47519.48
D.2 Jute	500.26
D.3 Man-made	30653.15
D.4 Others	83416.44
E. Leather and Leather products	**17404.33**
F. Wood and Wood Products	**13002.50**
G. Paper and Paper Products	**30041.01**
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	**220375.92**
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	**83014.57**
I.1 Fertilizers	7793.67
I.2 Drugs and Pharmaceuticals	20868.90
I.3 Petro-chemicals (excluding under Infrastructure)	21884.56
I.4 Others	32467.44
J. Rubber, Plastic and their Products	**57946.82**
K. Glass & Glassware	**12394.00**
L. Cement and Cement Products	**25855.01**
M. Basic Metal and Metal Products	**312477.80**
M.1 Iron and Steel	274422.05
M.2 Other Metal and Metal Products	38055.74
N. All Engineering	**95573.27**
N.1 Electronics	24981.00
N.2 Others	70592.27
O. Vehicles, Vehicle Parts and Transport Equipments	**13724.70**
P. Gems and Jewellery	**13284.95**
Q. Construction	**39831.75**
R. Infrastructure	**1316017.55**
R.1 Energy	578571.38
R.2 Transport	532658.68
R.3 Communication	134313.93
R.4 Others	70473.56
S. Other Industries	**730297.35**
All Industries (A to S)	**3431647.19**
T. Residuary other advances	**8200644.40**
Total fund based (Domestic + Overseas) exposure	**11632291.59**

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Industry where Fund-Based Exposure is more than 5% of Gross Fund Based Exposure:

(Rs. in millions)

S.No.	**Industry Name**	**Amount**
1	Nil	NA

(ii) Industry type non fund based exposure is as under:

(Rs. in millions)

Industry Name	**Amount**
A. Mining and Quarrying	**2305.49**
A.1 Coal	2259.73
A.2 Others	45.75
B. Food Processing	**37753.43**
B.1 Sugar	4391.98
B.2 Edible Oils and Vanaspati	14165.78
B.3 Tea	213.90
B.4 Coffee	45.84
B.5 Others	18935.93
C. Beverages (excluding Tea & Coffee) and Tobacco	**169.68**
C.1 Tobacco and tobacco products	0.00
C.2 Others	169.68
D. Textiles	**18712.59**
D.1 Cotton	8546.28
D.2 Jute	0.00
D.3 Man-made	2382.68
D.4 Others	7783.64
E. Leather and Leather products	**784.83**
F. Wood and Wood Products	**2252.02**
G. Paper and Paper Products	**3231.09**
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	**13651.46**
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	**15923.28**
I.1 Fertilizers	3.50
I.2 Drugs and Pharmaceuticals	3607.20
I.3 Petro-chemicals (excluding under Infrastructure)	15.00
I.4 Others	12297.58
J. Rubber, Plastic and their Products	**8581.31**
K. Glass & Glassware	**2781.52**
L. Cement and Cement Products	**3209.06**
M. Basic Metal and Metal Products	**125060.02**
M.1 Iron and Steel	120439.81
M.2 Other Metal and Metal Products	4620.22
N. All Engineering	**75631.00**
N.1 Electronics	18804.32
N.2 Others	56826.67
O. Vehicles, Vehicle Parts and Transport Equipment’s	**2192.49**
P. Gems and Jewellery	**1850.92**
Q. Construction	**60078.24**

Industry Name	Amount
R. Infrastructure	**227009.21**
R.1 Energy	69632.28
R.2 Transport	85089.80
R.3 Communication	5183.23
R.4 Others	67103.91
S. Other Industries, pl. specify	**38578.27**
All Industries (A to S)	**639755.89**
T. Residuary other advances	**460206.10**
Total non-fund based (Domestic+Overseas) exposure	**1099961.99**

Industry where Non- Fund based Exposure is more than 5% of Gross Non-Fund based Exposure:

(Rs. in millions)

S. No.	Industry Name	Amount
1.	Iron & Steel	120439.81
2.	Energy	69632.28
3.	Transport	85089.80
4.	Construction	60078.24

(e) The residual contractual maturity break down of assets:

(Rs. in millions)

Maturity Pattern	Advances*	Investments (Gross)	Foreign Currency Assets
Next day	43886.27	37.85	37026.07
2 - 7 days	58587.46	6109.65	47495.59
8 -14 days	138805.55	6021.91	1005.57
15- 30 days	354982.61	15858.35	88776.96
31days - 2months	667279.23	31324.36	62979.87
Over 2 months & upto 3 Months	560657.23	30738.54	65576.67
Over 3 Months to 6 months	810000.11	35258.85	171977.91
Over 6 Months & upto 1 year	794477.17	65512.17	61707.62
Over 1Year & upto 3 Years	3206932.59	676554.03	184612.97
Over 3 Years & upto 5 Years	1036766.63	636502.67	80761.08
Over 5 Years	1745249.89	3013714.78	26021.93
Total	**9417624.74**	**4517633.16**	**827942.24**

*Figures are shown on net basis.

(f) Amount of gross NPAs are:

(Rs. in millions)

Category	Amount
Sub Standard	49413.07
Doubtful – 1	82222.78
Doubtful – 2	138827.21
Doubtful – 3	175505.40
Loss	138054.58
Total NPAs (Gross)	**584023.04**

(g) Amount of Net NPAs are:

(Rs. in millions)

Particulars	**Amount**
Net NPA	69191.15

(h) The NPA Ratios are as under:

Particulars	**Standalone**	**Consolidated**
% of Gross NPAs to Gross Advances	5.73%	5.88%
% of Net NPAs to Net Advances	0.73%	0.74%

(i) Movement of gross NPAs are as under:

(Rs. in millions)

Particulars	**Amount**
i) Opening Balance at the beginning of the year	794926.64
ii) Additions during the period	59875.48
iii) Reductions during the period	270779.08
iv) Closing Balance at the end of the period (i + ii - iii)	**584023.04**

(j) The movement of provision with a description of each type of provision is as under:

(Rs. in millions)

Name of Provisions	**Opening balance as on 01.04.2022**	**Provision made during the period**	**Adjustment / Transfer / Write-off**	**Closing balance as on 31.03.2024**
Provision for Standard Assets including derivatives	78022.69	12316.55	-12052.14	78287.11
Provision for NPAs	559737.98	184516.56	-236230.99	508023.55

The amount of recovery in write off accounts booked directly in income statement is Rs. 61005.82 Million.

(k) The amount of non-performing investments are:

(Rs. in millions)

Particulars	**Amount**
Gross amount of non-performing investment	67337.55

(l) The amount of provisions held for non-performing investments are:

(Rs. in millions)

Particulars	**Amount**
Amount of provision held for non-performing investment	67337.55

(m) The movement of provisions for depreciation (including NPI) on investments are:

(Rs. in millions)

Particulars	**Amount**

i) Opening balance at the beginning of the year	96542.86
ii) Provisions made during the period	27352.43
iii) Write-off made during the period	-2026.38
vi) Closing balance as at the end of the period (i + ii –iii)	121868.91

(n) Amount of NPAs and provisions against major industry or counterparty type:

(Rs. in million)

Name of major industry or counter-party type	**Amount of NPA**	**Specific and general provisions**	**Write-offs during the current period**	**Specific provisions during the current period**
Food Processing	33634.25	30335.14	9170.89	0.00
Textiles	14907.92	13059.94	728.06	0.00
Basic Metal and Metal products	11838.86	10203.81	1023.64	0.00
All Engineering	8190.064	7630.56	1350.00	0.00
Gems and Jewellery	5861.35	5810.18	74478.71	0.00
Infrastructure	32544.06	32001.54	12040.07	0.00
Rubber, plastic and their products	4705.25	4415.38	254.51	0.00
Construction	5252.73	5025.66	12863.30	0.00

(o) Geography-wise NPA and provisions

(Rs. in million)

Particulars	**Overseas**	**Domestic**	**Total**
Amount of Gross NPA	24109.15	559913.89	584023.04
General and Specific Provisions	23134.15	484889.44	508023.59

Table DF- 4 - Credit Risk: Disclosures for Portfolios Subject to the Standardized Approach

Qualitative Disclosures:

(a)

4.1. Bank has the following six approved domestic credit rating agencies as on 31.03.2024 accredited by RBI vide “Basel III Capital Regulations - Eligible Credit Rating Agencies” notification dated 09.01.2023 for mapping its exposure with domestic borrowers under standardized approach of credit risk.

- CARE
- CRISIL
- ICRA
- India Ratings
- Acuite (Erstwhile SMERA)
- INFOMERICS

Bank has also approved the following three international credit rating agencies accredited by RBI in respect of exposure with overseas borrowers.

- FITCH
- Moody's
- Standard & Poor

These agencies are being used for rating (Long Term & Short Term) of fund based/ non-fund-based facilities provided by the bank to the borrowers. The bank uses solicited rating from the chosen credit rating agencies.

The ratings available in public domain are mapped according to mapping process as envisaged in RBI guidelines on the subject.

Quantitative Disclosures:

(b) For exposure amounts after risk mitigation subject to the standardized approach, amount of a bank's outstanding (rated and unrated) in the following three major risk buckets as well as those that are deducted are as under:

(Rs. in millions)

Particulars	Amount
i) Below 100% risk weight exposure outstanding	9164912.40
ii) 100% risk weight exposure outstanding	1508376.97
iii) More than 100% risk weight exposure outstanding	763902.47
iv) Deducted	0.00

Table DF-5: Credit Risk Mitigation: Disclosures for Standardized Approaches

Qualitative Disclosures:

(a)

5.1. Bank has put in place Board approved 'Credit Risk Mitigation and Collateral Management Policy' which, interalia, covers policies and processes for various collaterals including financial collaterals and netting of on and off-balance sheet exposure.

5.2. The collaterals used by the Bank as risk mitigant comprise of the financial collaterals (i.e. bank deposits, govt./postal securities, life policies, gold jewellery, units of mutual funds etc.). A detailed process of calculation of correct valuation and application of haircut thereon has been put in place by developing suitable software.

5.3. Guarantees, which are direct, explicit, irrevocable and unconditional, are taken into consideration by Bank for calculating capital requirement. Use of such guarantees for capital calculation purposes is strictly as per RBI guidelines on the subject.

5.4. Majority of financial collaterals held by the Bank are by way of own deposits and government securities, where no challenges are encountered in realization. As such, there is no risk concentration on account of nature of collaterals.

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Quantitative Disclosures

(Rs. in million)

Particulars	Amount
(b) For each separately disclosed credit risk portfolio the total exposure (after, where applicable, on or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts.	350503.60
(c) For each separately disclosed portfolio the total exposure (after, where applicable, on or off-balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI)	978462.81

Table DF-6: Securitization Exposures: Disclosure for Standardized Approach: Bank/Group does not have any securitization exposure

Table DF-7: Market Risk in Trading Book

Qualitative Disclosures:
(a)

7.1 RBI prescribed Standardized Measurement Method (duration based) for computation of capital charge for market risk has been adopted by Bank. Being fully compliant with Standardized Measurement Method as per RBI guidelines, now Bank is preparing for the Internal Model Approach (Advanced Approach on Market risk) based on Value at Risk (VaR) model.

Quantitative Disclosures*:*
(b)

(Rs. in million)

Risk Category	Amount
i) Interest Rate Risk	31999.81
ii) Foreign Exchange Risk (including Gold)	1455.00
iii) Equity Risk	12832.52
iv) CDS	0.00
Total capital charge for market risks under Standardized duration approach (i + ii + iii + iv)	**46287.33**

Table DF-8: Operational Risk

The bank is currently using the **Basic Indicator Approach (BIA)** for computing regulatory capital for operational risk.

RBI has released the “Master Direction on Minimum Capital Requirements for Operational Risk” on June 26, 2023 which requires computation of regulatory capital for Operational Risk, replacing the existing Basic Indicator Approach. The implementation date of **The New Standardised Approach** is awaited from RBI. The capital requirement as per Basic Indicator Approach (BIA) is Rs. 57848.95 Millions.

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Table DF-9: Interest Rate Risk in the Banking Book (IRRBB)

Qualitative Disclosures:
(a)

9.1 The interest rate risk arises due to fluctuating interest rates on rate sensitive assets and liabilities. For earning perspective, Traditional Gap Analysis (TGA) and for economic value perspective, Duration Gap Analysis (DGA) is carried out to assess the interest rate risk at monthly intervals on both trading book and banking book for domestic and overseas operations, as per RBI guidelines. As per ALM Policy, prudential limits have been fixed for impact on Net Interest Income (NII), Net Interest Margin (NIM), Duration gap and Market Value of Equity for the bank. Moreover, behavioral studies are also being done for assessing and apportioning volatile and core portion of various non-maturity products of both assets and liabilities.

<u>Earning Approach</u>
Since, in case of banks, interest income comprises major part of the income, a standardized rate shock analysis for upward or downward rate movement on the Gap statement is done. Accordingly, Earning at Risk (EaR) for different rate shocks is done to assess the impact on Net Interest Income (NII) of the bank due to adverse movement of rate of interest.

9.2 Economic Value Approach

The economic value approach involves analyzing the impact on the capital funds due to change in interest rate by 200 bps using Duration Gap Approach. It assesses the intrinsic values of assets and liabilities from time to time thereby improving banks insight into the profile of assets and liabilities vis-a vis contractual rate and market rate. As a prudential measure, a limit has been fixed for net duration gap of the assets and liabilities and the same is monitored at regular interval.

Quantitative Disclosures:
(b)

Earning at Risk: The table reveals the impact of 50 bps adverse change in interest rate on Net Interest Income (NII).

Change in interest rate	Estimated impact on NII due to adverse change in rate of interest up to 1 year
50 bps	Rs. 10654.77 Million

Economic Value of Equity: The table reveals the impact on Economic Value of Equity for an assumed rate shock of 200 bps on the banking book as at 31.03.2024.

Change in Economic value of Equity	200 bps
	Rs. 61120.63 Million

Table DF-10: General Disclosure for Exposures Related to Counterparty Credit Risk

Qualitative Disclosures:
(a)

The Bank uses derivatives products for hedging its own balance sheet items as well as for trading purposes. The risk management of derivative operation is headed by a senior executive, who reports to top management, independent of the line functions. Trading positions are marked to market on daily basis.

The derivative policy is framed by Integrated Risk Management Division, which includes measurement of credit risk and market risk.

The hedge transactions are undertaken for balance sheet management. Proper system for reporting and monitoring of risks are in place. Policy for hedging and processes for monitoring the same is in place.

Accounting policy for recording hedge and non-hedge transactions are in place, which includes recognition of income, premiums and discounts.

Valuation of outstanding contracts, provisioning, collateral and credit risk mitigation are being done.

Quantitative Disclosures:
(b)

Exposure of Counterparty Credit Risk			
Item	**Notional Amount**	**Current Credit Exposure**	**Exposure at Default under Current Exposure Method or Exposure amount under CEM Method**
Cross CCY Interest Rate Swaps	0.00	0.00	0.00
Forward Rate Agreements	0.00	0.00	0.00
Foreign exchange Contracts & Exchange traded Currency Futures	1330439.56	4164.67	34195.14
Single CCY Interest Rate Swaps	1495111.50	19.89	12544.99
Interest Rate Futures	0.00	0.00	0.00
Credit Default Swaps	0.00	0.00	0.00

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Table DF-11 :Composition of Capital (Consolidated)		(Rs. in million)	
Basel III common disclosure template to be used from March 31, 2017			
Common Equity Tier 1 capital: instruments and reserves			**Ref No**
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	482407.28	(A)
2	Retained earnings	5001.92	
3	Accumulated other comprehensive income (and other reserves)	509465.50	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies1)	0.00	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	2436.90	
6	**Common Equity Tier 1 capital before regulatory adjustments**	**999311.59**	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	0.00	
8	Goodwill (net of related tax liability)	0.00	
9	Intangibles (net of related tax liability)	2056.52	(L) (i)
10	Deferred tax assets (Losses)	0.00	
11	Cash-flow hedge reserve	0.00	
12	Shortfall of provisions to expected losses	0.00	
13	Securitisation gain on sale	0.00	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0.00	
15	Defined-benefit pension fund net assets	0.00	
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	0.00	
17	Reciprocal cross-holdings in common equity	10207.30	
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)	0.00	
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)	21157.93	
20	Mortgage servicing rights (amount above 10% threshold)	0.00	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	127969.43	
22	Amount exceeding the 15% threshold	0.00	
23	of which: significant investments in the common stock of financial entities	0.00	
24	of which: mortgage servicing rights	0.00	
25	of which: deferred tax assets arising from temporary differences	0.00	

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Table DF-11 :Composition of Capital (Consolidated)		**(Rs. in million)**	
26	National specific regulatory adjustments (26a+26b+26c+26d)	0.00	
26 a	of Which : Investments in the equity capital of the unconsolidated insurance subsidiaries.	0.00	
26 b	of Which : Investments in the equity capital of the unconsolidated non-financial subsidiaries.	150.00	
26 c	of Which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	5203.70	
26 d	Of which : Unamortized Pension funds expenditures	0.00	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0.00	
28	**Total regulatory adjustments to Common equity Tier 1**	**166744.89**	
29	**Common Equity Tier 1 capital (CET1)**	**832566.70**	
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	0.00	
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	0.00	
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	0.00	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	161920.00	
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)	456.90	
35	of which: instruments issued by subsidiaries subject to phase out	0.00	
36	**Additional Tier 1 capital before regulatory adjustments**	**162376.90**	
	Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	0.00	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	1848.30	
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)	511.20	
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)	0.00	
41	National specific regulatory adjustments (41a+41b)	0.00	

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Table DF-11 :Composition of Capital (Consolidated)		**(Rs. in million)**	
41 a	of which: Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	0.00	
41 b	of which: Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	0.00	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	0.00	
43	**Total regulatory adjustments to Additional Tier 1 capital**	**2359.50**	
44	**Additional Tier 1 capital (AT1)**	**160017.40**	
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44)**	**992584.10**	
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0.00	
47	Directly issued capital instruments subject to phase out from Tier 2	150030.00	
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)	609.30	
49	of which: instruments issued by subsidiaries subject to phase out	0.00	
50	Provisions + Reserves	59858.14	
51	**Tier 2 capital before regulatory adjustments**	**210497.44**	
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	0.00	
53	Reciprocal cross-holdings in Tier 2 instruments	0.00	
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)	989.70	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0.00	
56	National specific regulatory adjustments (56a+56b)	0.00	
56 a	Of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries	0.00	
56 b	of Which : Shortfall in the Tier 2 Capital of majority owned financial entities which have not been consolidated with the Bank	0.00	
57	**Total regulatory adjustments to Tier 2 capital**	**989.70**	
58	**Tier 2 Capital (T2)**	**209507.74**	
59	**Total Capital (TC= T1+ Admissible T2) (45+58)**	**1202091.85**	
60	**Total Risk Weighted Assets (60a+60b+60c)**	**7516142.50**	

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Table DF-11 :Composition of Capital (Consolidated)		(Rs. in million)	
60 a	of which: total credit risk weighted assets	6214438.99	
60 b	of which: total market risk weighted assets	578591.61	
60 c	of which: total operational risk weighted assets	723111.90	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.08%	
62	Tier 1 (as a percentage of risk weighted assets)	13.21%	
63	Total capital (as a percentage of risk weighted assets)	15.99%	
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)	8.00%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical buffer requirement	0.00%	
67	of which: G-SIB buffer requirement	0.00%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	5.58%	
National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	
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)	9.00%	
Amounts below the thresholds for deduction(before risk weighting)			
72	Non-significant investments in the capital of other financial entities	0.00	
73	Significant investments in the common stock of financial entities	16795.57	
74	Mortgage servicing rights (net of related tax liability)	Not applicable in India	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	107726.96	
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)	40618.00	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	77680.49	

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Table DF-11 :Composition of Capital (Consolidated)		**(Rs. in million)**	
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	
Capital instruments subject to phase-out arrangements (Only applicable between March 31,2017 and March 31,2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	NA	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	NA	
82	Current cap on AT1 instruments subject to phase out arrangements	NA	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	NA	
84	Current cap on T2 instruments subject to phase out arrangements	NA	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	NA	

Notes to the Template

Row no of the template	**Particular**	**(Rs. in million)**
10	Deferred tax assets associated with accumulated losses	0.00
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	243434.19
	Total as indicated in row 10	0.00
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	0.00
	of which: increase in Common equity tier 1 capital	0.00
	of which: increase in Additional Tier 1 capital	0.00
	of which: increase in Tier 2 capital	0.00
26b	If investments in the equity capital of unconsolidated non- financial subsidiaries are not deducted and hence, risk weighted then:	0.00
	(i) Increase in Common Equity Tier 1 capital	0.00
	(ii) Increase in risk weighted assets	0.00
50	Eligible provisions included in Tier 2 capital	40618.00
	Eligible Revaluation Reserves included in Tier 2 capital	0.00
	Total of Row 50	40618.00

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Table DF-12: Composition of Capital- Reconciliation Requirements (Step 1)			
			Rs. In million
S. No.	**Items**	**Balance sheet as in financial statements** **As on reporting date 31.03.2024**	**Balance sheet under regulatory scope of consolidation** **As on reporting date 31.03.2024**
A	**Capital & Liabilities**		
i	**Paid-up Capital**	**22022.03**	**22022.03**
	Reserves & Surplus	1081845.27	1047095.55
	Minority Interest	5607.74	5607.74
	Total Capital	**1109475.04**	**1074725.32**
ii	**Deposits**	**13792252.36**	**13792422.37**
	of which: Deposits from banks	697417.30	697417.30
	of which: Customer deposits	13094835.06	13095005.07
	of which: Other deposits	0.00	0.00
iii	**Borrowings**	**725856.21**	**725856.21**
	of which: From RBI	0.00	0.00
	of which: From banks	27137.04	27137.04
	of which: From other institutions & agencies	227939.66	227939.66
	of which: Others (From outside India)	79765.48	79765.48
	of which: Capital instruments	391014.03	391014.03
iv	**Other liabilities & provisions**	**358776.00**	**358773.30**
	Total	**15986359.61**	**15951777.20**
B	**Assets**		
i	**Cash and balances with Reserve Bank of India**	**653251.34**	**653251.34**
	Balance with banks and money at call and short notice	**660750.57**	**660750.57**
ii	**Investments:**	**4464212.64**	**4429648.91**
	of which: Government securities	3972769.90	3972769.90
	of which: Other approved securities	1.50	1.50
	of which: Shares	*28436.78*	*28436.79*
	of which: Debentures & Bonds	*346606.76*	*346606.76*
	of which: Subsidiaries / Joint Ventures / Associates	*58711.80*	*24148.06*
	of which: Others (Commercial Papers, Mutual Funds etc.)	*57685.90*	*57685.90*
iii	**Loans and advances**	**9417624.74**	**9417624.74**

	of which: Loans and advances to banks	*182844.67*	*182844.67*
	of which: Loans and advances to customers	*9234780.07*	*9234780.07*
iv	**Fixed assets**	**121422.30**	**121418.57**
v	**Other assets**	**669098.02**	**669083.07**
	of which: Goodwill and intangible assets	*2056.12*	*2056.06*
	of which: Deferred tax assets	*229554.23*	*229553.99*
vii	**Debit balance in Profit & Loss account**	**0.00**	**0.00**
	Total Assets	**15986359.61**	**15951777.20**

Table DF-12: Composition of Capital- Reconciliation Requirements (Step 2)

(Rs. In million)

S. No.	Items	Balance sheet as in financial statements As on reporting date 31.03.2024	Balance sheet under regulatory scope of consolidation As on reporting date 31.03.2024	Ref. No.
A	**Capital & Liabilities**			
i	**Paid-up Capital**	**22022.03**	**22022.03**	(A)
	of which : Amount eligible for CET 1	22022.03	22022.03	(A) (i)
	of which : Amount eligible for AT1	0.00	0.00	(A) (ii)
	Reserves & Surplus	1081845.27	1047095.55	(B)
	of which : Amount eligible for CET 1	1058741.68	1023991.95	(B) (i)
	Stock surplus (share premium)	460385.25	460385.25	(B) (ii)
	Statutory reserves	182438.95	182438.95	(B) (iii)
	Other reserves	116355.47	116319.48	(B) (iv)
	Capital reserves representing surplus arising out of sale proceeds of assets	168020.06	168020.06	(B) (v)
	Balance in Profit & Loss Account at the end of the previous financial year	32800.30	4744.77	(B) (vi)
	Current Financial Year Profit, to the extent admissible	6915.36	257.15	(B) (vii)

	Revaluation Reserves (taken @ discount of 55% in capital)	83056.30	83056.30	(B) (viii)
	Foreign Currency Translation Reserve (taken @ discount of 25% in capital)	8769.99	8769.99	(B) (ix)
	of which : Amount eligible for Tier 2	23103.59	23103.59	(B) (x)
	Investment Reserve	3863.45	3863.45	(B) (xi)
	Investment Fluctuation Reserve	19240.14	19240.14	(B) (xii)
	Minority Interest	5607.74	5607.74	(C)
	Total Capital	**1109475.04**	1074725.32	(D)
ii	**Deposits**	**13792252.36**	**13792422.37**	(E)
	of which: Deposits from banks	697417.30	697417.30	(E) (i)
	of which: Customer deposits	13094835.06	13095005.07	(E) (ii)
	of which: Other deposits (pl. specify)	0.00	0.00	(E) (iii)
iii	**Borrowings**	**725856.21**	**725856.21**	(F)
	of which: From RBI	0.00	0.00	(F) (i)
	of which: From banks	27137.04	27137.04	(F) (ii)
	of which: From other institutions & agencies	227939.66	227939.66	(F) (iii)
	of which: Others (pl. specify)	79765.48	79765.48	(F) (iv)
	of which: Capital instruments	391014.03	391014.03	(F) (v)
	(a) Eligible for AT1 Capital	161920.00	161920.00	F(vi)
	(b) Eligible for Tier 2 Capital	201094.03	201094.03	F(vii)
iv	**Other liabilities & provisions**	**358776.00**	**358773.30**	(G)
	of which DTLs related to goodwill	0.00	0.00	(G) (i)
	of which DTLs related to intangible assets	0.00	0.00	(G) (ii)
	Total	**15986359.61**	**15951777.20**	
B	**Assets**			
i	**Cash and balances with Reserve Bank of India**	**653251.34**	**653251.34**	(H) (i)
	Balance with banks and money at call and short notice	**660750.57**	**660750.57**	(H) (ii)
ii	**Investments**	**4464212.64**	**4429648.91**	(I)
	of which: Government securities	3972769.90	3972769.90	(I) (i)
	of which : Other approved securities	1.50	1.50	(I) (ii)
	of which: Shares	28436.79	28436.79	(I) (iii)

	of which: Debentures & Bonds	346606.76	346606.76	(I) (iv)
	of which: Subsidiaries / Joint Ventures/Associates	58711.80	24148.06	(I) (v)
	of which: Others (Commercial Papers, Mutual Funds etc.)	57685.90	57685.90	(I) (vi)
iii	**Loans and advances**	**9417624.74**	**9417624.74**	(J)
	of which: Loans and advances to banks	182844.67	182844.67	(J) (i)
	of which: Loans and advances to customers	9234780.08	9234780.08	(J) (ii)
iv	**Fixed assets**	**121422.30**	**121418.57**	(K)
v	**Other assets**	**669098.02**	**669083.07**	(L)
	of which : Goodwill and intangible assets, out of which :	2056.12	2056.06	(L) (i)
	Goodwill	0.00	0.00	(L) (i)
	Other intangibles (excluding MSRs)	0.00	0.00	(L) (i)
	Deferred tax assets	229554.23	229553.99	(L) (i)
vi	Debit balance in Profit & Loss accounts	**0.00**	**0.00**	(N)
	Total Assets	**15986359.61**	**15951777.20**	

TABLE DF 13 - Main Features of Regulatory Capital instruments

TABLE DF – 14: Full Terms and Conditions of Regulatory Capital Instruments of PNB Bonds

These disclosures i.e. DF 13 and DF 14 have been uploaded on the Bank's website i.e. www.pnbindia.in>Regulatory Disclosures>Basel III Disclosures>Financial year 2023-2024

Weblink: (https://www.pnbindia.in/Basel-III-Disclosures.html)

TABLE DF 15 – Disclosure Requirements for Remuneration

Not applicable, as Private sector and foreign banks operating in India are mandated to make this disclosure.

TABLE DF-16: Equities – Disclosure for Banking Book Positions (Standalone)		
Qualitative Disclosures		
1	The general qualitative disclosure requirement with respect to market risk is given in para 2.2 of this disclosure. Further, additional details includes:	
	• Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	All Equity HTM investments are in Foreign and Indian subsidiaries, Joint Venture, Associates & Regional Rural Banks etc. are strategic in nature.

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TABLE DF-16: Equities – Disclosure for Banking Book Positions (Standalone)			
	• Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	Accounting and Valuation policies for securities held under HTM category are detailed under schedule 17 of Bank's Annual report for FY 2023-24	
Quantitative Disclosures			(Rs. in million)
		BOOK VALUE 31.03.2024	**FAIR VALUE 31.03.2024**
1	Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	48771.86	99383.68
	Of which Publicly quoted share values where the share price is materially different from fair value.	10286.60	60706.33
2	The types and nature of investments including the amount that can be classified as:		
	• Publicly traded	10286.60	60706.33
	FIs (IFCI)	34.02	134.89
	Associates (In India) PNB HFL	9502.46	45971.12
	Subsidiaries(In India) PNB GILTS LTD	750.00	14599.99
	Fin Corp(GUJRAT STATE FINANCIAL COR-NSLR)	0.12	0.33
	• Privately held.	**38485.26**	**38677.35**
	Financial Corporation Except Gujrat State Financial Cor	11.56	1.13
	JVs (Outside India)	266.44	5374.28
	Associates (outside india)	3415.88	0.00
	Associates (In India) Except PNB HFL	2394.00	7666.36
	RRBs	15318.78	10334.27
	Subsidiaries(In India) Except PNB Gilts	350.00	647.05
	Subsidiaries(Outside India)	16720.96	14389.97
	Others (Central Warehousing)	7.63	264.28
	The cumulative realised gains (losses) arising from sales and liquidations in the reporting period (01.04.2023 to 31.03.2024)	NIL	NIL
3	Total unrealised gains (losses)13	NIL	NIL
4	Total latent revaluation gains (losses)14	NIL	NIL

TABLE DF-16: Equities – Disclosure for Banking Book Positions (Standalone)			
5	Any amounts of the above included in Tier 1 and/or Tier 2 capital.	Significant Investment is recognised in the CET1 capital up to 10% of a bank's CET1 capital (after all adjustments from 4.4.1 to 4.4.9.2 C (ii) except DTA(TD) & SI) but taken together not exceed 15% of the CET1 capital (after all adjustments from 4.4.1 to 4.4.9.2 C (ii)) in terms of RBI master circular no. DOR.CAP.REC.15/21.06.201/2023-24 dated May 12, 2023 on Basel III Capital Regulations	
6	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements.	NA	NA

13 Unrealised gains (losses) recognised in the balance sheet but not through the profit and loss account.
14 Unrealised gains (losses) not recognised either in the balance sheet or through the profit and loss account

Table DF 17 - Summary comparison of accounting assets vs. leverage ratio exposure measure		
	Item	**(Rs. In Million)**
1	Total consolidated assets as per published financial statements	**15986359.61**
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purpose but outside the scope of regulatory consolidation	(34582.41)
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0.00
4	Adjustments for derivative financial instruments	46741.37
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	5435.40
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	843474.54
7	Other adjustments	(184487.04)
8	**Leverage ratio exposure**	**16662941.47**

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DF-18 Leverage ratio common disclosure template	
Item	**Leverage Ratio Framework (Rs. In millions)**
On-balance sheet exposures	
1. On-balance sheet items (excluding derivatives and SFTs, but including collateral)	15946341.80
2. (Asset amounts deducted in determining Basel III Tier 1 capital)	(179051.64)
3. Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	**15767290.16**
Derivative exposures	
4. Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	4184.56
5. Add-on amounts for PFE associated with all derivatives transactions	42556.81
6. Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	0.00
7. (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	0.00
8. (Exempted CCP leg of client-cleared trade exposures)	0.00
9. Adjusted effective notional amount of written credit derivatives	0.00
10. (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0.00
11. Total derivative exposures (sum of lines 4 to 10)	**46741.37**
Securities financing transaction exposures	
12. Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	233283.76
13. (Netted amounts of cash payables and cash receivables of gross SFT assets)	(227848.36)
14. CCR exposure for SFT assets	0.00
15. Agent transaction exposures	0.00
16. Total securities financing transaction exposures (sum of lines 12 to 15)	**5435.40**
Other off-balance sheet exposures	
17. Off-balance sheet exposure at gross notional amount	3197058.38
18. (Adjustments for conversion to credit equivalent amounts)	()
19. Off-balance sheet items (sum of lines 17 and 18)	**843474.54**
Capital and total exposures	
20. Tier 1 capital	**992584.11**
21. Total exposures (sum of lines 3, 11, 16 and 19)	**16662941.47**
Leverage ratio	
22. Basel III leverage ratio (per cent)	**5.96%**

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Pillar 3 Disclosures (consolidated) under Basel III Framework
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Regulatory disclosures in respect of computation of leverage ratio:

(Rs. in million)

Item	31.03.2023	30.06.2023	30.09.2023	31.12.2023	31.03.2024
Capital Measure	747035.90	845516.33	874395.77	887785.48	992584.11
Exposure Measure	15672476.35	15854208.94	16020716.40	16236097.09	16662941.47
Leverage Ratio	4.77%	5.33%	5.46%	5.47%	5.96%

Industry type fund based exposures on Standalone basis is as under:

(Rs. in million)

Industry Name	Amount
A. Mining and Quarrying	**9593.79**
A.1 Coal	3942.41
A.2 Others	5651.38
B. Food Processing	**269865.01**
B.1 Sugar	46346.12
B.2 Edible Oils and Vanaspati	27235.48
B.3 Tea	10613.58
B.4 Coffee	726.24
B.5 Others	184943.59
C. Beverages (excluding Tea & Coffee) and Tobacco	**5610.72**
C.1 Tobacco and tobacco products	226.57
C.2 Others	5384.14
D. Textiles	**161756.14**
D.1 Cotton	47519.48
D.2 Jute	500.26
D.3 Man-made	30653.15
D.4 Others	83083.25
E. Leather and Leather products	**17404.33**
F. Wood and Wood Products	**12801.83**
G. Paper and Paper Products	**30029.12**
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	**219348.76**
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	**82026.27**
I.1 Fertilizers	7793.67
I.2 Drugs and Pharmaceuticals	20062.58
I.3 Petro-chemicals (excluding under Infrastructure)	21702.58
I.4 Others	32467.44
J. Rubber, Plastic and their Products	**57946.82**
K. Glass & Glassware	**12394.00**
L. Cement and Cement Products	**25748.31**
M. Basic Metal and Metal Products	**310424.38**
M.1 Iron and Steel	273559.25
M.2 Other Metal and Metal Products	36865.13
N. All Engineering	**95536.45**
N.1 Electronics	24944.19

N.2 Others	70592.26
O. Vehicles, Vehicle Parts and Transport Equipments	**12734.90**
P. Gems and Jewellery	**13284.95**
Q. Construction	**34920.41**
R. Infrastructure	**1310922.85**
R.1 Energy	577756.88
R.2 Transport	528471.13
R.3 Communication	134221.28
R.4 Others	70473.56
S. Other Industries	**667340.14**
All Industries (A to S)	**3349689.15**
T. Residuary other advances	**8204188.95**
TOTAL Fund Based (Domestic+ Overseas) exposure	**11553878.10**

Industry where Fund-Based Exposure on Standalone basis is more than 5% of Gross Fund Based Exposure:

(Rs. in million)

S. No.	Industry Name	Amount
1	Energy (Infrastructure)	577756.88

Industry type Non Fund exposure on Standalone basis is as under:

(Rs. in million)

Industry Name	Amount
A. Mining and Quarrying	**2305.49**
A.1 Coal	2259.73
A.2 Others	45.76
B. Food Processing	**37745.51**
B.1 Sugar	4391.98
B.2 Edible Oils and Vanaspati	14165.78
B.3 Tea	213.90
B.4 Coffee	45.84
B.5 Others	18928.01
C. Beverages (excluding Tea & Coffee) and Tobacco	**169.68**
C.1 Tobacco and tobacco products	0.00
C.2 Others	169.68
D. Textiles	**18712.59**
D.1 Cotton	8546.28
D.2 Jute	0.00
D.3 Man-made	2382.68
D.4 Others	7783.63
E. Leather and Leather products	**784.83**
F. Wood and Wood Products	**2240.05**
G. Paper and Paper Products	**3231.09**
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	**13651.46**
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	**15903.85**
I.1 Fertilizers	3.50
I.2 Drugs and Pharmaceuticals	3587.77

Industry Name	**Amount**
I.3 Petro-chemicals (excluding under Infrastructure)	15.00
I.4 Others	12297.58
J. Rubber, Plastic and their Products	**8581.31**
K. Glass & Glassware	**2781.52**
L. Cement and Cement Products	**3209.06**
M. Basic Metal and Metal Products	**125059.94**
M.1 Iron and Steel	120439.81
M.2 Other Metal and Metal Products	4620.13
N. All Engineering	**75630.35**
N.1 Electronics	18803.67
N.2 Others	56826.68
O. Vehicles, Vehicle Parts and Transport Equipment’s	**2192.49**
P. Gems and Jewellery	**1850.92**
Q. Construction	**60075.97**
R. Infrastructure	**227009.21**
R.1 Energy	69632.28
R.2 Transport	85089.80
R.3 Communication	5183.23
R.4 Others	67103.90
S. Other Industries, pl. specify	**38522.02**
All Industries (A to S)	**639657.31**
T. Residuary other advances	**457967.47**
TOTAL Non-Fund Based (Domestic+ Overseas) Exposure	**1097624.78**

Industry where Non- Fund based Exposure on Standalone basis is more than 5% of Gross Non-Fund based Exposure:

(Rs. in million)

S. No.	**Industry Name**	**Amount**
1.	Iron & Steel	120439.81
2.	Energy	69632.28
3.	Transport	85089.80
4.	Construction	60075.97