

**PILLAR III DISCLOSURE UNDER BASEL-III FRAMEWORK**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

Table DF – 1	Scope of Application
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Name of the head of the banking group to which the framework applies ALLAHABAD BANK

**(I). Qualitative Disclosures**

<b>A: List of group entities considered for consolidation</b>						
<b>Name of the entity / Country of incorporation</b>	<b>Whether the entity is included under accounting scope of consolidation (yes/no)</b>	<b>Explain the method of consolidation</b>	<b>Whether the entity is included under regulatory scope of consolidation (yes/no)</b>	<b>Explain the method of consolidation</b>	<b>Explain the reasons for difference in method of consolidation</b>	<b>Explain the reasons if consolidated under only one of the scope of consolidation</b>
All Bank Finance	Yes	Subsidiary	Yes	Subsidiary	NA	NA
M/S Universal Sampo General Insurance Company Limited	Yes	Joint Venture	No	Insurance Joint Venture	NA	NA
M/S ASREC (India) Ltd.	Yes	Associate	No	Associate	NA	NA

<b>B: List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation</b>						
<b>Name of the entity / country of incorporation</b>	<b>Principle activity of the entity</b>	<b>Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)</b>	<b>% of bank's holding in the total equity</b>	<b>Regulatory treatment of bank's investments in the capital instruments of the entity</b>	<b>Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)</b>	
Allahabad UP Gramin Bank	Sponsored RRB	Rs 6.00 crore	35%	Deducted from Capital Instrument for calculation of Capital Adequacy Ratio.	Rs 8892.33 crore	

**(II) Qualitative Disclosures**

<b>C: List of group entities considered for consolidation</b>			
<b>Name of the entity / country of incorporation (as indicated in (I) a. above)</b>	<b>Principle activity of the entity</b>	<b>Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)</b>	<b>Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)</b>
All Bank Finance	Merchant Banking	Rs 15 crore	Rs 62.34 crore

<b>D: The aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation</b>			
<b>Name of the subsidiaries/ country of incorporation</b>	<b>Principle activity of the entity</b>	<b>Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)</b>	<b>% of bank's holding in the total equity Capital deficiencies</b>
There is no capital deficiency in the subsidiaries.			

<b>E: The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk-weighted</b>				
<b>Name of the insurance entities/ country of incorporation</b>	<b>Principle activity of the entity</b>	<b>Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)</b>	<b>% of bank's holding in the total equity / proportion of voting power</b>	<b>Quantitative impact of regulatory capital of using risk weighting methods versus using the full deduction method</b>
M/s Universal Sompo General Insurance Company Limited	Insurance	Rs 350 crore	30%	Risk weight up to the value of investment.

**F: Any restrictions or impediments on transfer of funds or regulatory capital within the banking group: NIL**

<b>Table DF – 2</b>	<b>Capital Adequacy</b>
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<b>Qualitative Disclosures</b>
<ul style="list-style-type: none"> <li>The Bank carries out regular assessment of its Capital requirements to maintain a comfortable Capital to Risk Weighted Assets Ratio (CRAR) and to cushion against the risk of losses against any unforeseen events so as to protect the interest of all stakeholders. The Bank carries out the exercise of Capital Planning on an annual basis to review the review the capital required to carry out its activities smoothly in the future. Also, the Bank has well defined Internal Capital Adequacy Assessment Process (ICAAP) to comprehensively address all risks and maintain necessary additional capital.</li> <li>The Bank has adopted Standardized Approach for Credit Risk, Basic Indicator Approach for Operational Risk and Standardized Duration Approach for Market Risk for computing CRAR, as per the guidelines of RBI.</li> </ul>

### Quantitative Disclosures

Amount (in Crores)

<b>Capital Requirements for Various Risks</b>		
S.No	Types of Risk	Capital Requirement
<b>A</b>	<b>Credit Risk</b>	<b>11129.90</b>
A.1	For non-sec portfolio	11129.90
A.2	For Securitized portfolio	0.00
<b>B</b>	<b>Market Risk</b>	<b>873.06</b>
B.1	For Interest Rate Risk	745.11
B.2	For Equity Risk	111.39
B.3	For Forex Risk (including gold)	16.56
B.4	For Commodities Risk	-
B.5	For Options risk	-
<b>C</b>	<b>Operational Risk</b>	<b>1009.50</b>
C.1	Basic Indicator Approach	<b>1009.50</b>
C.2	Standardized Approach if applicable	-
<b>D</b>	<b>Total Capital Requirement</b>	<b>13012.46</b>
<b>E</b>	<b>Total Risk Weighted Assets</b>	<b>144582.92</b>
<b>G</b>	<b>Common Equity Tier 1</b>	<b>10633.83</b>
<b>H</b>	<b>Tier 1</b>	<b>10862.63</b>
<b>I</b>	<b>Total Capital</b>	<b>14401.90</b>
<b>J</b>	<b>Total Capital Ratio</b>	<b>9.96%</b>

**a) The general qualitative disclosure requirement with respect to credit risk, including:**

- **Definition of past due and impaired (for accounting purposes)**

The Bank follows Reserve Bank of India regulations, which are summed up below.

**a. Non-performing Assets**

An asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank.

A non-performing asset (NPA) 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' for 90 days as indicated below, in respect of an Overdraft/Cash Credit (OD/CC),
- III. The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- IV. The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
- V. The installment of principal or interest thereon remains overdue for one crop season for long duration crops.
- VI. The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of guidelines on securitization dated February 1, 2006.
- VII. Bank should classify an account as NPA only if the interest charged during any quarter is not serviced fully within 90 days from the end of the quarter.
- VIII. A loan for infrastructure/non-infrastructure project will be classified as NPA during any time before commencement of commercial operations as per record of recovery (90 days overdue) unless it is restructured and becomes eligible for classification as "Standard Asset"
- IX. A loan for an infrastructure project will be classified as NPA if it fails to commence commercial operations within two years from original DCCO, even if it is regular as per record of recovery, unless it is restructured and becomes eligible for classification as "Standard Asset"
- X. A loan for a non-infrastructure project will be classified as NPA if it fails to commence commercial operations within six months from original DCCO, even if it is regular as per record of recovery, unless it is restructured and becomes eligible for classification as "Standard Asset"

**b. 'Out of Order' status**

An account is treated as '**out of order**' if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit/drawing power, but there are no credits continuously for 90 days as on the date of Balance Sheet or credits are not enough to cover the interest debited during the same period, these accounts are treated as '**out of order**'.

**c. Overdue**

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.

**d. Non Performing Investments**

In respect of securities, where interest/ principal is in arrears, the Bank does not reckon income on the securities and makes appropriate provisions for the depreciation in the value of the investment.

A non-performing investment (NPI), similar to a non-performing advance (NPA), is one where:

- I. Interest/ installment (including maturity proceeds) is due and remains unpaid for more than 90 days.
- II. This applies mutatis-mutandis to preference shares where the fixed dividend is not paid.
- III. In the case of equity shares, in the event the investment in the shares of any company is valued at Re.1 per company on account of the non-availability of the latest balance sheet in accordance with the Reserve Bank of India instructions, those equity shares are also reckoned as NPI.
- IV. Any credit facility availed by the issuer is NPA in the books of the bank, investment in any of the securities issued by the same issuer is treated as NPI and vice versa.
- V. The investments in debentures / bonds, which are deemed to be in the nature of advance, are subjected to NPI norms as applicable to investments.

- **Definitions of past due and impaired (for accounting purposes);**

Overdrafts and other credit facilities without specific due dates shall be considered past due if:

1. Exceeds the customer's borrowing limit.
2. Customers borrowing limit is expired.
3. Deposits are insufficient to cover the interest calculated and due for the period
4. Bill has been dishonored
5. Bill or account is not paid on due date

Loans which are payable in installments are considered as past due in their entirety. If any of the installments have become due and unpaid after due date.

Outstanding Loans and advances reviewed by quantitative approach should be classified as follows:

No. of days Past Due	Outstanding	Provisions
91-180	Substandard	10%
181-270	Doubtful	50%
271 and More	Loss	100%

- **Discussion of the Bank's Credit Risk Management Policy**

**1. Credit Risk Management Policies:**

**1.1.** The Bank has put in place a well-structured Credit Risk Management Policy duly approved by the Board.

The Policy document defines organizational structure, role and responsibilities and the processes whereby the Credit Risks carried by the Bank can be identified, quantified, managed and controlled within the framework which the Bank considers consistent with its mandate and risk tolerance limits.

**1.2.** Credit Risk is monitored by the Bank account wise and compliance with the risk limits / exposure cap

approved by the Board is ensured. The quality of internal control system is also monitored and in-house expertise has been built up to tackle all the facets of Credit Risk.

**1.3.** The Bank has taken earnest steps to put in place best Credit Risk Management practices. In addition to Credit Risk Management Policy, the Bank has also framed Board approved Lending Policy, Investment Policy, Country Risk Management Policy, Recovery Policy etc. which form integral part in monitoring of credit risk and ensures compliance with various regulatory requirements, more particularly in respect of Exposure norms, Priority Sector norms, Income Recognition and Asset Classification guidelines, Capital Adequacy, Credit Risk Management guidelines etc. of RBI/other Statutory Authorities.

**1.4.** Besides, the Bank has also put in place a Board approved policy on Credit Risk Mitigation & Collateral Management which lays down the details of securities and administration of such securities to protect the interests of the Bank. These securities act as mitigants against the credit risk to which the Bank is exposed.

## **2. Architecture and Systems of the Bank:**

**2.1.** A Sub-Committee of Board of Directors termed as Risk Management Committee (RMC) has been constituted to specifically oversee and co-ordinate Risk Management functions in the bank.

**2.2.** A Credit Risk Management Committee of executives has been set up to formulate and implement various credit risk strategies including lending policy and to monitor Bank's Risk Management functions on a regular basis.

## **3. Credit Appraisal / Internal Rating:**

**3.1.** The Bank manages its credit risk through continuous measuring and monitoring of risks at each obligor (borrower) and portfolio level. The Bank has robust internally developed credit risk grading / rating modules and well-established credit appraisal / approval processes.

**3.2.** The internal risk rating / grading modules capture quantitative and qualitative issues relating to management risk, business risk, industry risk, financial risk and project risk. Besides, such ratings consider transaction specific credit enhancement features while assessing the overall rating of a borrower. The data on industry risk is constantly updated based on market conditions.

**3.3.** The rating for every borrower is reviewed. As a measure of robust credit risk management practices, the bank has implemented a three tier system of credit rating process for the loan proposals sanctioned at Head Office Level and two tier system at Zonal Office/ Branch level which includes validation of rating independent of credit department. For the proposals falling under the powers of Bank's Head Office, the validation of ratings is done at Risk Management Department.

**3.4.** The Bank follows a well defined multi layered discretionary power structure for sanction of loans. As advised by the ministry various committees have been formed at ZO & HO Level. ZLCC AGM/DGM headed by Zonal Head, ZLCC GM headed by GM, HLCC GM headed by GM (Credit), HLCC ED headed by ED( Executive Director) & CAC headed by CMD. A structure named New Business Group (NBG) headed by CMD has been constituted at Head Office level for considering in-principle approval for taking up fresh credit proposals above a specified cut-off point. The Bank has put in place a risk management framework for new products which lay down minimum processing / assessment norms to assess risk in a New Product prior to its introduction.

SL No	Quantitative Disclosures		(Amount Rs in Crores)
1	<b>Total gross credit risk exposures, Fund based and Non-fund based</b>		<b>157002</b>
	1.1 Fund Based		140905
	1.2 Non Fund Based		16097
2	<b>Geographic distribution of exposures</b>		
	2.1	Overseas	
		2.1.1 Fund Based	5812
		2.1.2 Non Fund Based	61
	2.2	Domestic	
		2.2.1 Fund Based	135093
2.2.2 Non Fund Based		16036	
3	<b>Industry type distribution of exposures</b>		
	Fund based		78390.00
4	<b>Residual Contractual maturity breakdown of assets</b>		
	<b>Buckets</b>	<b>Advances</b>	<b>Investments</b>
	Next day	1238.20	236.46
	2 – 7 days	1728.33	1473.63
	8 –14 days	1124.70	0.27
	15 – 28 days	2053.30	298.17
	29 days – 3 months	8079.35	4920.73
	>3 months – 6 months	8471.22	1845.61
	> 6months – 1 year	14308.61	1605.18
	>1 year – 3 years	36927.42	6682.84
	> 3 years – 5 years	19420.90	14058.56
	> 5 years	44654.55	33226.49
5	<b>Amount of NPAs (Gross)</b>		<b>8068.04</b>
	5.1 Substandard		4330.41
	5.2 Doubtful 1		2381.59
	5.3 Doubtful 2		1208.27
	5.4 Doubtful 3		65.91
	5.5 Loss		81.86
6	<b>Net NPAs</b>		<b>5944.32</b>
7	<b>NPA Ratios</b>		
	7.1 Gross NPAs to gross advances		<b>5.73%</b>
	7.2 Net NPAs to net advances		<b>4.15%</b>
8	<b>Movement of NPAs (Gross)</b>		
	8.1 Opening balance		5136.99
	8.2 Additions		6021.22
	8.3 Reductions		3090.17
	8.4 Closing balance		8068.04

<b>9</b>	<b>Movement of provisions for NPAs</b>	
	9.1 Opening balance	1004.41
	9.2 Provisions made during the period	2021.51
	9.3 Write-off	902.19
	9.4 Write-back of excess provisions	-
	9.5 Closing Balance	2123.73
<b>10</b>	<b>Amount of Non-Performing Investments</b>	21.41
<b>11</b>	<b>Amount of provisions held for non-performing investments</b>	7.81
<b>12</b>	<b>Movement of provisions for depreciation on investments</b>	
	12.1 Opening balance	0.90
	12.2 Provisions made during the period	6.91
	12.3 Write-off	-
	12.4 Write-back of excess provisions	-
	12.5 Closing balance	7.81



<b>Table DF – 4</b>	<b>Credit Risk: disclosures for portfolios subject to the standardized approach</b>
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<b>Qualitative Disclosures</b>			
<ul style="list-style-type: none"> <li>Under Standardized Approach the Bank accepts rating of all RBI approved ECRA (External Credit Rating Agency) namely CARE, CRISIL, India Ratings, ICRA, SMERA and Brickwork India Pvt Ltd for domestic credit exposures. For overseas credit exposures the bank accepts rating of Standard &amp; Poor, Moody's and Fitch.</li> <li>The Bank encourages Corporate and Public Sector Entity (PSE) borrowers to solicit credit ratings from ECRA and has used these ratings for calculating risk weighted assets wherever such ratings are available. The exposure amounts after risk mitigation subject to Standardized Approach (rated and unrated) in the following three major risk buckets are as under:</li> </ul>			
<b>Quantitative Disclosures</b>			
<b>(Amount Rs in Crores)</b>			
<b>Details of Gross Credit Risk Exposure (Fund based and Non-fund based) based on Risk-Weight – Position as on 31 March, 2014</b>			
<b>SL No</b>	<b>Risk Weight</b>	<b>Funded</b>	<b>Non Funded</b>
<b>1</b>	Below 100% risk weight	38977.62	5884.99
<b>2</b>	100% risk weight	35966.96	2430.55
<b>3</b>	More than 100% risk weight	31133.46	1986.86
<b>4</b>	Deduction from capital funds	36.67	-

**Table DF – 5**
**Credit Risk Mitigation: Disclosures  
for Standardized Approaches**

<b>Qualitative Disclosures</b>		
<p>1. Bank obtains various types of securities (which may also be termed as collaterals) to secure the exposures (Fund based as well as Non-Fund based) on its borrowers. The collaterals commonly used by the Bank as the risk mitigants comprise of the financial collaterals (i.e., Bank deposits, govt./postal securities, life insurance policies, gold jewellery, units of mutual funds etc.), various categories of movable and immovable assets/landed properties etc.</p> <p>2. Where personal/corporate guarantee is considered necessary, the guarantee is preferably that of the principal members of the group holding shares in the borrowing company/ flagship Group Company of corporate. It is ensured that their estimated net worth is substantial enough for them to stand as guarantors.</p> <p>3. In line with the regulatory requirements, the Bank has put in place a well-articulated Policy on Credit Risk Mitigation and Collateral Management duly approved by the Bank’s Board.</p> <p>4. As advised by RBI, the Bank has adopted the comprehensive approach relating to credit risk mitigation under Standardized Approach, which allows fuller offset of eligible securities against exposures, by effectively reducing the exposure amount by the value ascribed to the securities. Thus the eligible financial collaterals have been used to reduce the credit exposure in computation of credit risk capital. In doing so, the Bank has recognised specific securities namely (a) Bank Deposits (b) Life Insurance Policies (c) NSCs / KVPs (d) Government Securities, in line with the RBI guidelines on the matter.</p> <p>5. Besides, other approved forms of credit risk mitigation are “On Balance Sheet Netting” and availability of “Eligible Guarantees”. On balance sheet netting has been reckoned to the extent of the deposits available against the loans/advances of the borrower (to the extent of exposure) as per the RBI guidelines. Further, in computation of credit risk capital, the types of guarantees recognized for mitigation and applicable Risk Weights, in line with RBI Guidelines are (a) Central Government Guarantee (0%) (b) State Government (20%) (c) CGTMSE (0%) (d) ECGC (20%) (e) Bank guarantee in form of bills purchased/discounted under Letter of Credit (20% or as per rating of foreign Banks).</p> <p>7. All types of securities eligible for mitigation are easily realizable financial securities. As such, presently no limit/ceiling has been prescribed to address the concentration risk in credit risk mitigants recognized by the Bank.</p>		
SL No	<b>Quantitative Disclosures</b>	
		<b>(Amount Rs in Crores)</b>
(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.	36625.31
(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)	34474.84

<b>Table DF – 6</b>	<b>Securitisation: Disclosure for Standardised Approach Qualitative Disclosures</b>
The Bank/Group does not have any securitization exposure.	

**Qualitative disclosures**
**(a) Market Risk:**

1. Market Risk is defined as the possibility of loss caused by changes/movements in the market variables such as interest rates, foreign currency exchange rates, equity prices and commodity prices. Bank's exposure to Market risk arises from investments (interest related instruments and equities) in trading book (both AFS and HFT categories) and the Foreign Exchange positions. The objective of the market risk management is to minimize the impact of losses on earnings and equity.
2. The Bank has put in place Board approved Policies on Investments, Foreign Exchange Operations, Trading in Forex Market, Derivatives, Asset Liability Management and Stress Testing for effective management of market risk. The policies ensure that operations in fixed income securities, equities, foreign exchange and derivatives are conducted in accordance with sound business practices and as per extant regulatory guidelines.
3. Bank uses 'Cash-flow Approach' and 'Stock Approach' for measuring, monitoring and managing Liquidity Risk. Under cash flow approach, mismatches under various time buckets are analyzed vis-à-vis tolerance limits. Under stock approach, various ratios like Core Deposits/Total Assets, Temporary Assets/Volatile Liabilities, etc. are calculated and analyzed against tolerance limits specified in the ALM Policy. Appropriate corrective measures, wherever required are taken as per directives of ALCO / Board. The Bank has also put in place mechanism for Contingency Funding Plan to assess the projected liquidity position of the Bank under stressed scenarios.
4. Interest Rate Risk is managed through use of Gap analysis of rate sensitive assets and liabilities and monitored through prudential tolerance limits. Bank uses Traditional Gap Analysis (TGA) for assessing the impact of Interest Rate Risk on its Net Interest Income over a short term i.e. upto 1 year. For assessing long term impact of interest rate changes on Market Value of Equity / Net Worth, Duration Gap Analysis (DGA) is carried out.
5. The Bank has put in place various limits to measure, monitor and manage market risk. Day Light Limits, Overnight Limits, Aggregate Gap Limits, VaR Limit, Deal Size Limits, Counterparty Limits, Instrument-wise Limits, Dealer-wise limits, Stop Loss Limits etc. The limits are monitored on daily basis and a reporting system to the top management is in place.
6. The Bank has adopted Standardized Duration Approach as prescribed by RBI for computation of capital charge for Market Risk.

S. No	Quantitative Disclosures		
	(Amount Rs. in Crores)		
<b>1</b>	The total capital requirements for Market Risk		<b>873.06</b>
	1.1 Interest rate risk	745.11	
	1.2 Equity position risk	111.39	
	1.3 Foreign exchange risk	16.56	

## Table DF – 8

## Operational Risk

## Qualitative disclosures

1. Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes legal risk but excludes strategic and reputation risks.
2. The Bank has framed Operational Risk Management Policy duly approved by the Board. Supporting policies adopted by the Board which deal with management of various areas of operational risk are (a) Compliance Risk Management Policy (b) Forex Risk Management Policy (c) Policy Document on Know Your Customers (KYC) and Anti Money Laundering (AML) Procedures (d) Business Continuity and Disaster Recovery Policy (e) Fraud Risk Management Policy etc.
3. The Operational Risk Management Policy adopted by the Bank outlines organization structure and detailed processes for management of operational risk. The basic objective of the policy is to closely integrate operational risk management system into the day-to-day risk management processes of the Bank by clearly assigning roles for effectively identifying, assessing, monitoring and controlling / mitigating operational risks and by timely reporting of operational risk exposures, including material operational losses. Operational risks in the Bank are managed through comprehensive and well articulated internal control frameworks.
4. In line with the final guidelines issued by RBI, the Bank has adopted the **Basic Indicator Approach** for computing capital for Operational Risk.
5. As per the guidelines, the capital for operational risk is equal to 15% of average positive annual Gross Income of previous three years as defined by RBI. Accordingly, the capital requirement for operational risk as on 31.03.2014 is Rs. **1009.50 Crores.**

<b>Table DF – 9</b>	<b>Interest Rate Risk in the Banking Book (IRRBB)</b>
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**Qualitative disclosures**

**(a) Interest Rate Risk in the Banking Book:**

1. Interest Rate Risk is the risk where changes in market interest rates might adversely affect a Bank's financial condition. The immediate impact of changes in interest rates is on Bank's earnings i.e. Net Interest Income (NII). A long -term impact of changing interest rates is on Bank's Market Value of Equity (MVE) or Net Worth as the economic value of Bank's assets, liabilities and off-balance sheet positions get affected due to variation in market interest rates.
2. The impact on income (Earnings perspective) is measured through use of Traditional Gap analysis, which measures mismatch between rate sensitive liabilities and rate sensitive assets (including off-balance sheet positions) over different time intervals, as at a given date. The impact of interest rate risk on NII is assessed by applying notional rate shock of 100,200 & 300 bps on gaps in various time bucket up to a period of one year as prescribed in Bank's ALM Policy.
3. The Bank has adopted Duration Gap Analysis (DGA) to measure interest rate risk in its balance sheet from the economic value perspective. The Bank computes bucket-wise Modified Duration of Rate sensitive Liabilities and Assets using the suggested common maturity, coupon and yield parameters, prescribed by RBI/BOARD The modified Duration Gap is computed from weighted average modified duration of total rate sensitive assets and rate sensitive liabilities. The impact of change in interest rate on net worth is analyzed by applying a notional interest rate shock of 100, 200 & 300 bps.
4. The analysis & reporting of Interest rate risk is done by the Bank on a monthly basis.

S.No.	Quantitative Disclosures	
	(Amount in Rs. Crores)	
<b>1.</b>	<b>Change in Interest Rate</b>	<b>Earnings at Risk (NII)</b>
	1.00%	117.23
<b>2.</b>	<b>Change in Interest Rate</b>	<b>Economic Value of Equity at Risk (Net Worth)</b>
	1.00%	768.25

<b>Table DF – 10</b>	<b>General Disclosure for Exposures Related to Counterparty Credit Risk</b>
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<b>Qualitative disclosures</b>
<ul style="list-style-type: none"> <li>• Counterparty Credit risk is the risk that the counterparty to a financial contract will default prior to the expiration of the contract and will not make all the payments required by the contract. Only the Over-the-Counter (OTC) derivatives and Security financing transactions (SFTs) are subject to counterparty credit risk.</li> <li>• The Bank uses derivative products in the normal course of business for trading purposes as well as hedging risk which includes interest rate and foreign currency risk. The risk management of derivative operation is headed by a senior executive, who reports to top management, independent of the line functions.</li> <li>• The Bank has forward contracts as well as Interest Rate Swaps as derivatives.</li> <li>• Derivatives are marked to market on daily basis and the limit prescribed is adhered to.</li> <li>• Proper system for reporting and monitoring of risks is in place.</li> </ul>

S. No.	Quantitative Disclosures	
	(Amount in Rs. Crores)	
1.	Gross positive value of contracts	1454.51
2.	Netting Benefits	0.00
3.	Netted current credit exposure	1454.51
4.	collateral held	0.00
5.	<b>Net derivative credit exposure</b>	<b>1454.51</b>

Item	Notional Amount	Current Credit Exposure (Positive MTM)	Total Credit Exposures
Cross CCY Interest Rate Swaps	-	-	-
Forward rate agreements	-	-	-
Single CCY Interest Rate Swaps	500	0.00	50.00
Interest rate future	-	-	-
Credit default swaps	-	-	-
Currency options	-	-	-
Forward Contracts	54635.15	1454.51	2454.97
<b>Total</b>	<b>55135.15</b>	<b>1454.51</b>	<b>2504.97</b>

<b>Table DF – 11</b>	<b>Composition of Capital</b>
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(Rs. in million)

Particulars		Amount	Amounts Subject To Pre-Basel III Treatment	Ref No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>				
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	26961.05		A1 + A2
2	Retained earnings	3630.21		A3
3	Accumulated other comprehensive income (and other reserves)	77428.11		B1 + B2+ B3+ B4
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies1)	-		
	<i>Public sector capital injections grandfathered until 1 January 2018</i>	-		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-	
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>108019.37</b>		
<b>Common Equity Tier 1 capital: regulatory adjustments</b>				
7	Prudential valuation adjustments	0.00	-	
8	Goodwill (net of related tax liability)	0.00		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	0.00		
10	Deferred tax assets	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-in capital on reported balance sheet)	0.00		
17	Reciprocal cross-holdings in common equity	40.76	101.90	
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)	0.00		
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)	0.00		
22	Amount exceeding the 15% threshold	0.00		
23	of which: significant investments in the common stock of financials	0.00		
24	of which: mortgage servicing rights	0.00		
25	of which: deferred tax assets arising from temporary differences	0.00		
26	National specific regulatory adjustments (26a+26b+26c+26d)	1493.60		
26a	Of which: Investments in the equity capital of unconsolidated non-financial subsidiaries	0.00		
26b	Of which: Investment in the equity capital of unconsolidated non-financial subsidiaries			
26c	Of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the Bank	0.00		
26d	Of which: Unamortized pension funds expenditures	1493.60	1493.60	
	<b>REGULATORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT</b>	0.00		
	<b>OF WHICH: Investment in the equity capital of unconsolidated financial subsidiaries</b>	146.70	366.75	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0.00		
28	<b>Total regulatory adjustments to Common equity Tier 1</b>	<b>1681.06</b>		
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>106338.31</b>		
<b>Additional Tier 1 capital: instruments</b>				
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	2400.00	3000.00	C1
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)	0.00		

35	of which: instruments issued by subsidiaries subject to phase out	0.00		
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>2400.00</b>		
<b>Additional Tier 1 capital: regulatory adjustments</b>				
37	Investments in own Additional Tier 1 instruments	0.00		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	2.00	5.00	
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)	0.00		
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+41c)	110.02		
41a	Investments in Additional Tier I Capital of unconsolidated insurance subsidiaries	0.00		
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the Bank	0.00		
	REGULATORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	0.00		
41c	OF WHICH: Investment in the equity capital of unconsolidated financial subsidiaries	110.02	366.75	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	0.00		
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>112.02</b>		
44	<b>Additional Tier 1 capital (AT1)</b>	<b>2287.98</b>		
44a	<b>Additional Tier 1 capital reckoned for capital adequacy</b>	<b>2287.98</b>		
45	<b>Tier 1 capital (T1 = CET1 + AT1) (row 29 + row 44a)</b>	<b>108626.29</b>		
<b>Tier 2 capital: instruments and reserves</b>				
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	21947.60	34119.00	C2+ C3
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)	0.00		
49	of which: instruments issued by subsidiaries subject to phase out	0.00		

50	Provisions	13642.40		D1+ D2
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>35590.00</b>		
<b>Tier 2 capital: regulatory adjustments</b>				
52	Investments in own Tier 2 instruments	0.00		
53	Reciprocal cross-holdings in Tier 2 instruments	87.30	218.26	
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)	0.00		
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+56c)	110.02		
56a	Of which: Investments in the Tier II capital of unconsolidated subsidiaries	0.00		
56b	Of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the Bank	0.00		
	REGULATORY ADJUSTMENTS APPLIED TO TIER 2 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	0.00		
56c	OF WHICH: Investment in the equity capital of unconsolidated financial subsidiaries	110.02	366.75	
57	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>197.33</b>		
58	<b>Tier 2 capital (T2)</b>	<b>35392.68</b>		
58a	<b>Tier 2 capital reckoned for capital adequacy</b>	<b>35392.68</b>		
58b	<b>Excess Additional Tier 1 capital reckoned as Tier 2 capital</b>	<b>0.00</b>		
58c	<b>Total Tier 2 capital admissible for capital adequacy (row 58a + row 58b)</b>	<b>35392.68</b>		
59	<b>Total capital (TC = T1 + T2) (row 45+row 58c)</b>	<b>144018.97</b>		
	RISK WEIGHTED ASSETS IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
60	<b>Total risk weighted assets (row 60a +row 60b +row 60c)</b>	<b>1445829.21</b>		
60a	<b>of which: total credit risk weighted assets</b>	1236655.84		
60b	<b>of which: total market risk weighted assets</b>	97007.09		
60c	<b>of which: total operational risk weighted assets</b>	112166.28		

<b>Capital ratios</b>				
61	<b>Common Equity Tier 1 (as a percentage of risk weighted assets)</b>	<b>7.35%</b>		
62	<b>Tier 1 (as a percentage of risk weighted assets)</b>	<b>7.51%</b>		
63	<b>Total capital (as a percentage of risk weighted assets)</b>	<b>9.96%</b>		
64	<b>Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)</b>	<b>4.50%</b>		
65	<b>of which: capital conservation buffer requirement</b>	0.00%		
66	<b>of which: Bank specific countercyclical buffer requirement</b>	-		
67	<b>of which: G-SIB buffer requirement</b>	-		
68	<b>Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)</b>	<b>4.50%</b>		
<b>National minima (if different from Basel III)</b>				
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%		
<b>Amounts below the thresholds for deduction (before risk weighting)</b>				
72	Non-significant investments in the capital of other financials	0.00		
73	Significant investments in the common stock of financials	0.00		
74	Mortgage servicing rights (net of related tax liability)	0.00		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	0.00		
<b>Applicable caps on the inclusion of provisions in Tier 2</b>				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	13642.40		
77	Cap on inclusion of provisions in Tier 2 under standardized approach	15458.20		
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		

<b>Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2021)</b>			
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	31901.49	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0.00	
84	Current cap on T2 instruments subject to phase out arrangements	53169.16	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0.00	

### **Notes to the Template**

<b>Row No. of the Template</b>	<b>Particular</b>	<b>Rs in million</b>
10	Deferred tax assets associated with accumulated losses	-
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	-
	Total as indicated in row 10	-
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-
	of which: Increase in Common Equity Tier 1 capital	-
	of which: Increase in Additional Tier 1 capital	-
	of which: Increase in Tier 2 capital	-
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	-
	(i) Increase in Common Equity Tier 1 capital	-
	(ii) Increase in risk weighted assets	-
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	0.00
	of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	0.00
50	Eligible Provisions included in Tier 2 capital	9807.85
	Eligible Revaluation Reserves included in Tier 2 capital	3834.55
	Total of row 50	13642.40
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	0.00

<b>Table DF – 12</b>	<b>Composition of Capital- Reconciliation Requirements</b>
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(Rs. In million)

**Step-1**

S. No.	Particulars	Balance sheet as in financial statements	Ref. No.
<b>A.</b>	<b>Capital &amp; Liabilities</b>		
<b>i.</b>	Paid-up Capital	5446.09	A1
	Reserves & Surplus	112561.24	-
	of which:		
	Statutory Reserve	30483.87	B1
	Capital Reserve	3976.84	B2
	Revenue & Other Reserves	31047.40	B3
	Investment Reserve Account	890.85	D1
	Share Premium	21514.96	A2
	Special Reserve	11920.00	B4
	Revaluation Reserve	8521.24	D2
	Balance in Profit & Loss Account	3630.21	A3
	Minority Interest	0.00	-
	<b>Total Capital</b>	<b>118007.33</b>	-
<b>ii.</b>	Deposits	1908428.08	-
	of which: Deposits from Banks	11085.13	-
	of which: Customer deposits	1897342.95	-
<b>iii.</b>	Borrowings	121307.71	-
	of which: From RBI	9000.00	-
	of which: From Banks	-	-
	of which: From other institutions & agencies	2271.54	-
	of which: Others (Outside India)	72917.17	-
	of which: Capital instruments	37119.00	-
	Of which: Subordinated Innovative Perpetual Debt Instruments	3000.00	C1
	Of which: Subordinated Debt – Upper Tier II Capital	10000.00	C2
	Of which: Subordinated Debt – Tier II Capital	24119.00	C3
<b>iv.</b>	Other liabilities & provisions	56599.70	-
	<b>Total</b>	<b>2204342.83</b>	

S. No.	Particulars	Balance sheet as in financial statements	Ref. No.
<b>B.</b>	<b>Assets</b>		
<b>i.</b>	Cash and balances with Reserve Bank of India	88344.46	-
	Balance with Banks and money at call and short notice	54606.57	-
<b>ii.</b>	Investments:	639605.32	-
	of which: Government securities	499425.37	-
	of which: Other approved securities	443.35	-
	of which: Shares	4373.60	-
	of which: Debentures & Bonds	62273.78	-
	of which: Subsidiaries / Joint Ventures / Associates	1317.85	-
	of which: Others (Commercial Papers, Mutual Funds etc.)	71771.36	-
<b>iii.</b>	Loans and advances	1380065.73	-
	of which: Loans and advances to Banks	-	-
	of which: Loans and advances to customers	1380065.73	-
<b>iv.</b>	Fixed assets	13096.93	-
<b>v.</b>	Other assets	28623.83	-
	of which: Goodwill and intangible assets	0.00	-
	of which: Deferred tax assets	0.00	-
<b>vi.</b>	Goodwill on consolidation	0.00	-
<b>vii.</b>	Debit balance in Profit & Loss account	0.00	-
	<b>Total Assets</b>	<b>2204342.83</b>	

### Step – 2

S. No.	Particulars	Balance sheet as in financial statements	Ref. No.
<b>A.</b>	<b>Capital &amp; Liabilities</b>		
<b>i.</b>	Paid-up Capital	5446.09	
	<i>of which: Amount eligible for CET1</i>	5446.09	E1
	<i>of which: Amount eligible for AT1</i>	-	
	Reserves & Surplus	112561.24	-
	of which:		
	Statutory Reserve	30483.87	F1
	Capital Reserve	3976.84	F2
	Revenue & Other Reserves	31047.40	F3
	Investment Reserve Account	890.85	H1
	Share Premium	21514.96	E2
	Special Reserve	11920.00	F4

S. No.	Particulars	Balance sheet as in financial statements	Ref. No.
	Revaluation Reserve	8521.24	
	<i>of which: Amount eligible for CET1</i>	0.00	
	<i>of which: Amount eligible for Tier II</i>	3834.56	H2
	Balance in Profit & Loss Account	3630.21	F3
	Minority Interest	0.00	-
	Total Capital	118007.33	-
ii.	Deposits	1908428.08	-
	<i>of which: Deposits from Banks</i>	11085.13	-
	<i>of which: Customer deposits</i>	1897342.95	-
iii.	Borrowings	121307.71	-
	of which: From RBI	9000.00	-
	of which: From Banks	-	-
	of which: From other institutions & agencies	2271.54	-
	of which: Others (Outside India)	72917.17	-
	of which: Capital instruments	37119.00	-
	<i>Of which: Subordinated Innovative Perpetual Debt Instruments</i>	3000.00	G1
	<i>Of which: Subordinated Debt – Upper Tier II Capital</i>	10000.00	G2
	<i>Of which: Subordinated Debt – Tier II Capital</i>	24119.00	G3
iv.	Other liabilities & provisions	56599.70	-
	<i>of which: DTLs related to goodwill</i>		
	<i>of which: DTLs related to Intangible Assets</i>		
	<i>of which: DTLs related to Special Reserve</i>	3904.24	
	<b>Total</b>	<b>2204342.83</b>	
<b>B.</b>	<b>Assets</b>		
i.	Cash and balances with Reserve Bank of India	88344.46	-
	Balance with Banks and money at call and short notice	54606.57	-
ii.	Investments:	639605.32	-
	of which: Government securities	499425.37	-
	of which: Other approved securities	443.35	-
	of which: Shares	4373.60	-
	of which: Debentures & Bonds	62273.78	-
	of which: Subsidiaries / Joint Ventures / Associates	1317.85	-
	of which: Others (Commercial Papers, Mutual Funds etc.)	71771.36	-
iii.	Loans and advances	1380065.73	-
	of which: Loans and advances to Banks	-	-
	of which: Loans and advances to customers	1380065.73	-



S. No.	Particulars	Balance sheet as in financial statements	Ref. No.
iv.	Fixed assets	13096.93	-
v.	Other assets	28623.83	-
	of which: Goodwill and intangible assets	0.00	-
	of which: Deferred tax assets	0.00	-
vi.	Goodwill on consolidation	0.00	-
vii.	Debit balance in Profit & Loss account	0.00	-
	<b>Total Assets</b>	<b>2204342.83</b>	

**Step - 3**

Extract of Basel III common disclosure template (with added column) – Table DF-11			
Common Equity Tier 1 capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	26961.05	E1 + E2
2	Retained earnings	3630.21	F3
3	Accumulated other comprehensive income (and other reserves)	77428.11	F1 + F2 + F3 + F4
4	Directly issued capital subject to phase out from CET1 (only applicable to non- joint stock companies)	-	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>108019.37</b>	
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	

<b>Table DF – 13</b>	<b>Main Features of Regulatory Capital</b>
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**A. Equity Capital**

The main features of Equity capital are as follows:

<b>S. No.</b>	<b>Particulars</b>	<b>Equity</b>
1	Issuer	Allahabad Bank
2	Unique identifier	ISIN: INE428A01015
3	Governing law(s) of the instrument	Indian Laws
<b>Regulatory treatment</b>		
4	Transitional Basel III rules	Common Equity Tier I
5	Post-transitional Basel III rules	Common Equity Tier I
6	Eligible at solo/group/ group & solo	Solo & Group
7	Instrument type	Common Equity
8	Amount recognised in regulatory capital (as of most recent reporting date)	Rs 5446.09 million
9	Par value of instrument	Rs 10 per share
10	Accounting classification	Shareholder's Fund
11	Original date of issuance	Various
12	Perpetual or dated	Perpetual
13	Original maturity date	No Maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	NA
16	Subsequent call dates, if applicable	NA
<b>Coupons / dividends</b>		
17	Fixed or floating dividend/coupon	Discretionary Dividend
18	Coupon rate and any related index	NA
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-Cumulative
23	Convertible or non-convertible	NA
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No



<b>S. No.</b>	<b>Particulars</b>	<b>Equity</b>
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	NA
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA

**B. Additional Tier I capital instruments**

The main features of Additional Tier I Capital Instruments are as follows:

S. No.	Particulars	Additional Tier I (Perpetual Bond Series I)	Additional Tier I (Perpetual Bond Series II)
1	Issuer	Allahabad Bank	Allahabad Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE428A09091	INE428A09125
3	Governing law(s) of the instrument	Indian Laws	Indian Laws
<b>Regulatory treatment</b>			
4	Transitional Basel III rules	Additional Tier I	Additional Tier I
5	Post-transitional Basel III rules	Ineligible	Ineligible
6	Eligible at solo/group/ group & solo	Solo & Group	Solo & Group
7	Instrument type	Perpetual	Perpetual
8	Amount recognised in regulatory capital ( in million, as of most recent reporting date)	Rs 1200 million	Rs 1200 million
9	Par value of instrument	Rs 1 million per Bond	Rs 1 million per Bond
10	Accounting classification	Liability	Liability
11	Original date of issuance	30th March, 2009	18th December, 2009
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	No Maturity	No Maturity
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 30th March 2019 and thereafter on each anniversary date Contingent Call Dates: NA Redemption at par	Optional Call Date: 18th December 2019 and thereafter on each anniversary date Contingent call dates: NA Redemption At Par
16	Subsequent call dates, if applicable	On each anniversary date after 30th March 2019	On each anniversary date after 18th December 2019
<b>Coupons / dividends</b>			
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	9.20% p.a. payable annually from issue date till the first call option date and if the Bank does not exercise the call option, 50 bps over and above coupon rate of 9.20% i.e. 9.70 % p.a. after 30th march, 2019	9.08% p.a., payable annually from issue date till first call option date and if the Bank does not exercise the call option, 50 bps over and above coupon rate of 9.08% i.e. 9.58% p.a. after 18th December, 2019

<b>S. No.</b>	<b>Particulars</b>	<b>Additional Tier I (Perpetual Bond Series I)</b>	<b>Additional Tier I (Perpetual Bond Series II)</b>
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Partially discretionary	Partially discretionary
21	Existence of step up or other incentive to redeem	Yes	Yes
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-Convertible	Non-Convertible
24	If convertible, conversion trigger(s)	NA	NA
25	If convertible, fully or partially	NA	NA
26	If convertible, conversion rate	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA
30	Write-down feature	No	No
31	If write-down, write-down trigger(s)	NA	NA
32	If write-down, full or partial	NA	NA
33	If write-down, permanent or temporary	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA
35	Position in subordination hierarchy in liquidation	The claims of the Bondholders shall be (a) superior to the claims of investors in equity shares and (b) subordinated to the claims of all other creditors	The claims of the Bondholders shall be (a) superior to the claims of investors in equity shares and (b) subordinated to the claims of all other creditors

**C. Tier II Capital Instruments**
**a. Upper Tier II capital Instruments**

The main features of Upper Tier II Capital Instruments are as follows:

S. No.	Particulars	Series I	Series II
1.	Issuer	Allahabad Bank	Allahabad Bank
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE428A09075	INE428A09117
3.	Governing law(s) of the instrument	Indian Laws	Indian Laws
<b>Regulatory treatment</b>			
4.	Transitional Basel III rules	Tier 2	Tier 2
5.	Post-transitional Basel III rules	Ineligible	Ineligible
6.	Eligible at solo/group/ group & solo	Solo & Group	Solo & Group
7.	Instrument type	Upper Tier II	Upper Tier II
8.	Amount recognised in regulatory capital (₹ in million, as of most recent reporting date)	Rs 4000 million	Rs 4000 million
9.	Par value of instrument	Rs 1 million per Bond	Rs 1 million per Bond
10.	Accounting classification	Liability	Liability
11.	Original date of issuance	19 <sup>th</sup> march 2009	18 <sup>th</sup> December 2009
12.	Perpetual or dated	Dated	Dated
13.	Original maturity date	19 <sup>th</sup> March 2024	18 <sup>th</sup> December 2024
14.	Issuer call subject to prior supervisory approval	Yes	Yes
15.	Optional call date, contingent call dates and redemption amount	Optional Call Date: 19 <sup>th</sup> March 2019 Contingent call dates: NA Redemption At Par	Optional Call Date: 18 <sup>th</sup> December 2019 Contingent call dates: NA Redemption At Par
16.	Subsequent call dates, if applicable	On each anniversary date	On each anniversary date
<b>Coupons / dividends</b>			
17.	Fixed or floating dividend / coupon	Fixed	Fixed
18.	Coupon rate and any related index	9.28% p.a. payable annually from issue date till the first call option date and if the call option is not exercised by the Bank then 50 bps over and above coupon rate of 9.28% i.e. 9.78% p.a. payable annually after 19 <sup>th</sup> March 2019	8.58% p.a. payable annually from issue date till the first call option date and if the call option is not exercised by the Bank then 50 bps over and above coupon rate of 8.58% i.e. 9.08% p.a. payable annually after 18 <sup>th</sup> December 2024

S. No.	Particulars	Series I	Series II
19.	Existence of a dividend stopper	No	No
20.	Fully discretionary, partially discretionary or mandatory	Partially discretionary	Partially discretionary
21.	Existence of step up or other incentive to redeem	Yes	Yes
22.	Noncumulative or cumulative	Non-Cumulative	Non-Cumulative
23.	Convertible or non-convertible	Non-Convertible	Non-Convertible
24.	If convertible, conversion trigger(s)	NA	NA
25.	If convertible, fully or partially	NA	NA
26.	If convertible, conversion rate	NA	NA
27.	If convertible, mandatory or optional conversion	NA	NA
28.	If convertible, specify instrument type convertible into	NA	NA
29.	If convertible, specify issuer of instrument it converts into	NA	NA
30.	Write-down feature	No	No
31.	If write-down, write-down trigger(s)	NA	NA
32.	If write-down, full or partial	NA	NA
33.	If write-down, permanent or temporary	NA	NA
34.	If temporary write-down, description of write-up mechanism	NA	NA
35.	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors.	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors.
36.	Non-compliant transitioned features	Yes	Yes
37.	If yes, specify non-compliant features	Step up; No Basel III Loss Absorbency	Step up; No Basel III Loss Absorbency

**b. Subordinated Bonds, Lower Tier II**

The main features of Subordinate Bonds are as follows:

S. No.	Particulars	Series V	Series VI	Series VII	Series VIII	Series IX
1.	Issuer	Allahabad Bank	Allahabad Bank	Allahabad Bank	Allahabad Bank	Allahabad Bank
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE428A09042	INE428A09059	INE428A09067	INE428A09083	INE428A09109
3.	Governing law(s) of the instrument	Indian Laws	Indian Laws	Indian Laws	Indian Laws	Indian Laws
<b>Regulatory treatment</b>						
4.	Transitional Basel III rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5.	Post-transitional Basel III rules	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible
6.	Eligible at solo/group/ group & solo	Solo & Group	Solo & Group	Solo & Group	Solo & Group	Solo & Group
7.	Instrument type	Tier 2 Instruments	Tier 2 Instruments	Tier 2 Instruments	Tier 2 Instruments	Tier 2 Instruments
8.	Amount recognised in regulatory capital (in million, as of most recent reporting date)	Rs 1000 million	Rs 2247.60 million	Rs 3000 million	Rs 3200 million	Rs 4500 million
9.	Par value of instrument	Rs 1 million per Bond	Rs 1 million per Bond	Rs 1 million per Bond	Rs 1 million per Bond	Rs 1 million per Bond
10.	Accounting classification	Liability	Liability	Liability	Liability	Liability
11.	Original date of issuance	13 <sup>th</sup> march 2006	29 <sup>th</sup> September 2006	25 <sup>th</sup> September 2007	26 <sup>th</sup> March 2009	4 <sup>th</sup> August 2009
12.	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13.	Original maturity date	13 <sup>th</sup> march 2016	29 <sup>th</sup> September 2016	25 <sup>th</sup> September 2017	26 <sup>th</sup> March 2019	4 <sup>th</sup> August 2019
14.	Issuer call subject to prior supervisory approval	No	No	No	No	No
15.	Optional call date, contingent call dates and	No	No	No	No	No





S. No.	Particulars	Series V	Series VI	Series VII	Series VIII	Series IX
	redemption amount					
16.	Subsequent call dates, if applicable	NA	NA	NA	NA	NA
<b>Coupons / dividends</b>						
17.	Fixed or floating dividend / coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18.	Coupon rate and any related index	8.00% p.a. payable semi-annually	8.85% p.a. payable annually	10.00% p.a. payable annually	9.23% p.a. payable annually	8.45% p.a. payable annually
19.	Existence of a dividend stopper	No	No	No	No	No
20.	Fully discretionary, partially discretionary or mandatory	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary
21.	Existence of step up or other incentive to redeem	Yes	Yes	Yes	Yes	Yes
22.	Noncumulative or cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
23.	Convertible or non-convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible
24.	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25.	If convertible, fully or partially	NA	NA	NA	NA	NA
26.	If convertible, conversion rate	NA	NA	NA	NA	NA
27.	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28.	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29.	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30.	Write-down feature	No	No	No	No	No
31.	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA



<b>S. No.</b>	<b>Particulars</b>	<b>Series V</b>	<b>Series VI</b>	<b>Series VII</b>	<b>Series VIII</b>	<b>Series IX</b>
32.	If write-down, full or partial	NA	NA	NA	NA	NA
33.	If write-down, permanent or temporary	NA	NA	NA	NA	NA
34.	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA
35.	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors.	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors.	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors.	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors.	The claims of the investors in these Bonds shall be (a) superior to the claims of investors in instruments eligible for inclusion in Tier I capital; and (b) subordinate to the claims of all other creditors.
36.	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes
37.	If yes, specify non-compliant features	No Basel III Loss Absorbency	No Basel III Loss Absorbency	No Basel III Loss Absorbency	No Basel III Loss Absorbency	No Basel III Loss Absorbency



<b>Table DF – 14</b>	<b>Full Terms and Conditions of Regulatory Capital Instruments</b>
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The Detailed Terms and Conditions of Regulatory Capital Instruments viz., Additional Tier I Capital and Tier II Capital is annexed separately.

**Table DF-15: Disclosure Requirements for Remuneration**

<b>Qualitative disclosures</b>																							
<b>(a) Information relating to the composition and mandate of the Remuneration Committee.</b>	Composition: Government Director, RBI Director and 2 other directors.																						
<b>(b) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.</b>	Remuneration payable to Whole time Directors (CMD and EDs) is calculated based on guidelines given by Ministry of Finance, latest being Dated 29 <sup>th</sup> May'2012. The calculation is made based on qualitative and quantitative performance parameters as advised by MOF. The guidelines for FY 2013-14 not yet received.																						
<b>(c) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.</b>	Remuneration payable to Whole time Directors (CMD and EDs ) is calculated based on guidelines given by Ministry of Finance, latest being Dated 29 <sup>th</sup> May'2012. The calculation is made based on qualitative and quantitative performance parameters as advised by MOF. The guidelines for FY 2013-14 not yet received.																						
<b>(d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.</b>	<p>The broad parameters included in the matrix for the purpose of evaluation of performance of the whole time directors for performance of the whole time directors for performance linked incentives, as advised by GoI, MoF, DFS, vide letter No. 16/65/2011-BO.I dated 29.05.2012 are as under:</p> <p><b>Performance Evaluation Matrices:</b></p> <p>3. Qualitative Parametres</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">SOI Parameters</th> <th style="text-align: center;">Marks</th> </tr> </thead> <tbody> <tr> <td>vi) CASA Deposits as a percentage of Total Deposits</td> <td style="text-align: center;">10</td> </tr> <tr> <td>Vii) growth in Direct Agricultural Advances</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Viii) Growth in MSE Advances</td> <td style="text-align: center;">5</td> </tr> <tr> <td>ix) Advances to Weaker Sections</td> <td style="text-align: center;">5</td> </tr> <tr> <td>x) Level of Gross NPAs (Amount)</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Vi) Return of Average Assets (ROA)</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Vii) Net Profit (After Tax)</td> <td style="text-align: center;">10</td> </tr> <tr> <td>Viii) Staff Cost Income Ratio</td> <td style="text-align: center;">5</td> </tr> <tr> <td>ix) Other Costs towards PL (%)</td> <td style="text-align: center;">5</td> </tr> <tr> <td>x) Financial Inclusion</td> <td style="text-align: center;">10</td> </tr> </tbody> </table>	SOI Parameters	Marks	vi) CASA Deposits as a percentage of Total Deposits	10	Vii) growth in Direct Agricultural Advances	5	Viii) Growth in MSE Advances	5	ix) Advances to Weaker Sections	5	x) Level of Gross NPAs (Amount)	5	Vi) Return of Average Assets (ROA)	5	Vii) Net Profit (After Tax)	10	Viii) Staff Cost Income Ratio	5	ix) Other Costs towards PL (%)	5	x) Financial Inclusion	10
SOI Parameters	Marks																						
vi) CASA Deposits as a percentage of Total Deposits	10																						
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Vii) Net Profit (After Tax)	10																						
Viii) Staff Cost Income Ratio	5																						
ix) Other Costs towards PL (%)	5																						
x) Financial Inclusion	10																						

		xi) Performance of RRBs	5
		Total	70
		<b>4. Qualitative Parameters for CMDs &amp; EDs</b>	
		Vii) Strategic plan covering business strategies, operational milestone to be achieved	05
		viii) Human Resource Development Plan	05
		ix) E-Governance and E-payment	05
		x) RRB Functional integration with Sponsor Banks	05
		Xi) Business Process Re-engineering (BPR)	05
		xii) Innovation	05
		Total	30
		Grand Total	100
		The performance linked incentive will be admissible to the whole time directors as under on the basis of scores obtained:	
		For scores out of 100 marks	Incentive per annum (in Lacs)
			CMD ED
		100	8.00 6.50
		81-99	7.00 5.50
		61-80	6.00 4.00
		60 and less	NIL NIL
(e)	<b>A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.</b>	Remuneration payable to Whole time Directors (CMD and EDs) is calculated based on guidelines given by Ministry of Finance, latest being Dated 29 <sup>th</sup> May'2012. The calculation is made based on qualitative and quantitative performance parameters as advised by MOF. The guidelines for FY 2013-14 not yet received.	
(f)	<b>Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilizes and the rationale for</b>	Incentive payable if any to Whole time Directors is paid through their Accounts.	

		<b>using these different forms.</b>	
<b>Quantitative disclosures</b>			
(Covering only Whole Time Directors / Chief Executive Officer / Other Risk Takers)			
(g)	*	<b>Number of meetings held by the Remuneration Committee during the financial year and remuneration paid to its members.</b>	During the Financial Year 2013-14, no. of meetings held is 02 and the remuneration paid is NIL.
(h)	*	<b>Number of employees having received a variable remuneration award during the financial year.</b>	NIL
	*	<b>Number and total amount of sign-on awards made during the financial year.</b>	NIL
	*	<b>Details of guaranteed bonus, if any, paid as joining / sign on bonus.</b>	NIL
	*	<b>Details of severance pay, in addition to accrued benefits, if any.</b>	NIL
(i)	*	<b>Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.</b>	NIL
	*	<b>Total amount of deferred remuneration paid out in the financial year.</b>	NIL
(j)	*	<b>Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.</b>	NIL
(k)	*	<b>Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.</b>	NIL
	*	<b>Total amount of reductions during the financial year due to ex- post explicit adjustments.</b>	NIL
	*	<b>Total amount of reductions during the financial year due to ex- post implicit adjustments.</b>	NIL