MARKET DISCLOSURE UNDER BASEL-II

NEW CAPITAL ADEQUACY FRAMEWORK AS ON 30th September, 2013

RISK MANAGEMENT

1. Consequent upon globalization, Banks and other financial institutions all over the world are exposed to different types of risks. The emergence of Basel-II accord and its increasing applicability throughout the world calls for sound practices in risk management. To cope with the challenges, the Bank has put in place various risk management practices and processes in line with the guidelines of the Reserve Bank of India issued from time to time.
2. The Bank's risk management objectives broadly covers proper identification, measurement, monitoring / control and mitigation of the risks towards enhancing and maximizing the shareholders' value by addressing appropriate trade off between an expected reward and potential risk.
3. The Bank has set up appropriate risk management organization structure. Board Level Sub-Committee known as "Risk Management Committee" has been constituted in terms of RBI guidance note on Risk Management System. The Committee evaluates overall risks faced by the Bank and put in place effective system to identify measure, monitor and control risk. The committee further integrates various risk management functions at committee level. i.e., integration through Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC), Market Risk Management Committee (MRMC) and Asset Liability Committee (ALCO).
4. General Manager (Integrated Risk Management) is looking after functioning of risk management aspect in integrated manner at Bank's Head Office, who is independent of business departments, for implementing best risk management systems and practices in the Bank.
5. In line with the guidelines issued by the RBI, the Bank has implemented New Capital Adequacy Framework (Basel-II) with effect from March 31, 2008. The Basel-II framework, as referred, is based on three mutually reinforcing pillars. While **Pillar-1** of the revised framework addresses minimum capital requirement for Credit, Market and Operational risk, **Pillar–2** (Supervisory Review Process) intends to ensure that the Banks have adequate capital to address all the risks in their business commensurate with Bank's risk profile and control environment. As required, the Bank has put in place a Board approved policy on Internal Capital Adequacy Assessment Process (ICAAP).
6. Pillar-3 refers to Market Discipline. As directed by the RBI, a set of disclosures (both qualitative & quantitative) are annexed with regard to risk management in the Bank, which will enable market participants to access key information on the scope of application, capital risk exposures, risk assessment processes, Bank's risk profile and level of capitalization etc. This would also provide the market participants with the necessary data to evaluate the performance of the Bank in various parameters.

Table DF – 1	Scope of Application

Position as on 30.09.2013

Qualitative Disclosures

a) The name of the top Bank in the group to which the framework applies.

a) The framework of disclosures applies to **Allahabad Bank**, which is the top Bank in the group.

b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group

i) that are fully consolidated;
ii) that are pro-rata consolidate;
iii) that are given a deduction treatment; and
iv) That are neither consolidated nor deducted (e.g. where the investment is risk-weighted).

b) The Bank's subsidiary /Associates and Joint venture are as under:

Subsidiary: The Bank has one subsidiary as under:

Name of Subsidiary	Country of Incorporation	Ownership (%)
All Bank Finance	India	100%

Associates: One Regional Rural Bank sponsored by the Bank is as under.

Name of Banks	Country of Incorporation	Ownership (%)
Allahabad UP Gramin Bank*	India	35%

* Our two erstwhile RRBs in the state of UP, namely Lucknow Kshetriya Gramin Bank and Triveni Kshetriya Gramin Bank have ceased to exist and a new amalgamated RRB, i.e., Allahabad UP Gramin Bank has come into existence w.e.f. 02.03.2010.

Joint Venture: The Bank has invested in Joint Venture Insurance company and Asset Securitisation company as under:

Name of Company	Country of Incorporation	Ownership (%)
M/S Universal Sompo General Insurance Company Limited	India	30.00%
M/S ASREC (India) Ltd.	India	27.04%

The Subsidiary, Associates and Joint Ventures are consolidated in the Statement of Accounts as per Accounting Standard 21, 23 and 27 respectively of Institute of Chartered Accountants of India (ICAI).

For computation of CRAR of the Bank, investment in Subsidiary, Associates and Joint Ventures are deducted from Tier-I and Tier-II capital equally as per RBI guidelines.

Sl. No.	Quantitative Disclosures	(Amount: Rs in Crores)
1	The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation i.e. that are deducted and the names of such subsidiaries.	There is no deficiency in respect of any subsidiary.
2	The aggregate amounts (e.g., current book value) of the Bank's total interests in insurance entities, which are risk weighted as well as their name, their country of incorporation or residence, the proportion of ownership interest and if different the proportion of voting power in these entities. In addition, indicate the quantitative impact on regulatory capital of using this method versus using the deduction.	The Bank has made investment amounting to Rs 105.00 Crores by way of equity subscription in an insurance joint venture i.e., Universal Sompo General Insurance Company Limited incorporated in India, representing 30% of the company's paid-up capital. Investment in the joint venture insurance company is not deducted from Capital of the Bank as per RBI Guidelines, since the Bank's investment is not above the level of significant investment, which is not more than 30% of the investee entity's paid-up capital.

Table DF – 5	Credit Risk Mitigation: Disclosures for Standardised Approaches
Position as on 30.09.2013	

Qualitative Disclosures

1. A comprehensive policy on valuation of property, plant & machinery, has been approved by the Board.
2. 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.
3. 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.
4. 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.
5. As advised by RBI, the Bank has adopted the comprehensive approach relating to credit risk mitigation under Standardised 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.
6. 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).
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.

Sl. No.	Quantitative Disclosures	(Amount Rs in Crores)
(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.	11207.65
(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)	Nil

Table DF – 6	Securitisation: Disclosure for Standardised Approach Qualitative Disclosures

Position as on 30.09.2013

Qualitative Disclosures		
(a)	The general qualitative disclosure requirement with respect to securitisation, including a discussion of: • the Bank's objectives in relation to securitisation activity, including the extent to which these activities transfer credit risk of the underlying securitised exposures away from the Bank to other entities; • the nature of other risks (e.g., liquidity risk) inherent in securitized assets • the various roles played by the Bank in the securitization process (e.g., originator, investor, servicer, provider of credit enhancement, liquidity provider) and an indication of the extent of the Bank's involvement in each of them • a description of the process in place to monitor changes in the credit and market risk of securitization exposures (e.g., how the behavior of the underlying assets impacts securitization exposures as defined in para 5.16.1 of the Master Circular on NCAF dated 01.07.2009) • a description of the Bank's Policy governing the use of credit risk mitigation to mitigate the risks retained through securitization exposures	No securitization during the half-year ended 30.09.2013.
(b)	Summary of the Bank's accounting policies for securitisation activities, including: • Whether the transactions are	NIL

treated as sales or financings • Methods and key assumptions (including inputs) applied in valuing positions retained or purchased • Changes in methods and key assumptions from the previous period and impact of the changes • Policies for recognizing liabilities on the balance sheet for arrangements that could require the Bank to provide financial support for securitised assets. (c) In the Banking book, the names of ECAIs used for securitisations and the types of securitisation exposure for which each agency is used.	Not applicable.

SL No	Quantitative Disclosures: Banking Book (Amount Rs. in Crores)	
(d)	The total amount of exposures securitised by the Bank	Nil
(e)	For exposures securitized, losses recognised by the Bank during the current period broken down by exposure type (e.g., credit cards, housing loans, auto loans, etc. detailed by underlying security)	
(f)	Amount of assets intended to be securitized within a year	
(g)	Of (f), amount of assets originated within a year	
(h)	Total amount of exposures securitized (by exposure type) and unrecognized gain or losses on sale by exposure type.	
(i)	Aggregate amount of:	
	• on-balance sheet securitisation exposures retained or purchased broken down by exposure type and	
	• off-balance sheet securitisation exposures broken down by exposure type	
(j)	• Aggregate amount of securitisation exposures retained or purchased and the associated capital charges, broken down between exposures and further broken down into different risk weight bands for each regulatory capital approach	
	• Exposures that have been deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type).	

Quantitative Disclosures: Trading Book		Rs. in Crores
(k)	Aggregate amount of exposures securitised by the Bank for which the Bank has retained some exposures and which is subject to the market risk approach, by exposure type.	**Nil**
(l)	Aggregate amount of:	
	• on-balance sheet securitisation exposures retained or purchased broken down by exposure type;	
	• Off-balance sheet securitisation exposures broken down by exposure type.	
(m)	Aggregate amount of securitisation exposures retained or purchased separately for:	
	• securitisation exposures retained or purchased subject to Comprehensive Risk Measure for specific risk; and	
	• Securitisation exposures subject to the securitisation framework for specific risk broken down into different risk weight bands.	
(n)	Aggregate amount of:	
	• the capital requirements for the securitisation exposures, subject to the securitisation framework broken down into different risk weight bands.	
	• securitisation exposures that are deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital(by exposure type).	

Table DF – 7	Market Risk in Trading Book

Position as on 30.09.2013

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 Liquid Assets to Total Assets, Purchased Funds to Liquid Assets, Loans to Core Deposits 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 Standardised Duration Approach as prescribed by RBI for computation of capital charge for Market Risk.

S. No	Quantitative Disclosures (Amount Rs. in Crores)		
1	The total capital requirements for Market Risk		**411.26**
	1.1 Interest rate risk	306.03	
	1.2 Equity position risk	89.66	
	1.3 Foreign exchange risk	15.57	

Table DF – 8	Operational Risk

Position as on 30.09.2013

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.
Qualitative disclosures
1. In line with the final guidelines issued by RBI, the Bank has adopted the **Basic Indicator Approach** for computing capital for Operational Risk. **2.** 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 31.09.2013 is Rs. 10062.42 Crores.

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

Position as on 30.09.2013

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/ALCO. 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 of100, 200 & 300 bps.

4. The analysis on Interest rate risk is done by the Bank over monthly basis after approval of the ALCO and the same is reported to the Board/RBI.

S.No.	Quantitative Disclosures	
		(Amount in Rs. Crores)
1.	**Change in Interest Rate**	**Impact on NII**
	1.00%	364.45
2.	**Change in Interest Rate**	**Impact on Net Worth**
	1.00%	931.98

Table DF – 11	Composition of Capital

Position as on 30.09.2013

(Rs. in million)

	Particular	Amount	Amounts Subject To Pre-Basel III Treatment	Ref No.
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	22961.05		A1 + A2
2	Retained earnings	80825.31		B1 + B2+ B3+ B4
3	Accumulated other comprehensive income (and other reserves)	-		
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies1)	-		
	Public sector capital injections grandfathered until 1 January 2018	-		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		
6	**Common Equity Tier 1 capital before regulatory adjustments**	**103786.36**		
Common Equity Tier 1 capital: regulatory adjustments				
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	20.16	100.82	
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)	2989.60		
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	2989.60	2989.60	
	REGULATORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	0.00		
	OF WHICH: Investment in the equity capital of unconsolidated financial subsidiaries	73.35	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	**Total regulatory adjustments to Common equity Tier 1**	**3083.11**		
29	**Common Equity Tier 1 capital (CET1)**	**100703.25**		

Additional Tier 1 capital: instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	2700.00		
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)	2700.00		C1
33	Directly issued capital instruments subject to phase out from Additional Tier 1	0.00		
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)	0.00		
35	of which: instruments issued by subsidiaries subject to phase out	0.00		
36	**Additional Tier 1 capital before regulatory adjustments**	**2700.00**		
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	1.00	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)	146.70		
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		
	OF WHICH: Investment in the equity capital of unconsolidated financial subsidiaries	146.70		
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**	**147.70**		
44	**Additional Tier 1 capital (AT1)**	**2552.30**		
44a	**Additional Tier 1 capital reckoned for capital adequacy**	**2552.30**		
45	**Tier 1 capital (T1 = CET1 + AT1) (row 29 + row 44a)**	**103255.55**		
Tier 2 capital: instruments and reserves				
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	24747.60		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	13160.96		D1+ D2
51	**Tier 2 capital before regulatory adjustments**	**37908.56**		
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	0.00		
53	Reciprocal cross-holdings in Tier 2 instruments	87.31	436.54	
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)	146.70		
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		
	OF WHICH: Investment in the equity capital of unconsolidated financial subsidiaries	146.70		

57	**Total regulatory adjustments to Tier 2 capital**	**234.01**		
58	**Tier 2 capital (T2)**	**37674.55**		
58a	**Tier 2 capital reckoned for capital adequacy**	**37674.55**		
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	**0.00**		
58c	**Total Tier 2 capital admissible for capital adequacy (row 58a + row 58b)**	**37674.55**		
59	**Total capital (TC = T1 + T2) (row 45+row 58c)**	**140930.10**		
	RISK WEIGHTED ASSETS IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	16825.00		
60	**Total risk weighted assets (row 60a +row 60b +row 60c)**	**1314343.56**		
60a	**of which: total credit risk weighted assets**	1168116.44		
60b	**of which: total market risk weighted assets**	45602.90		
60c	**of which: total operational risk weighted assets**	100624.22		
Capital ratios				
61	**Common Equity Tier 1 (as a percentage of risk weighted assets)**	**7.66%**		
62	**Tier 1 (as a percentage of risk weighted assets)**	**7.86%**		
63	**Total capital (as a percentage of risk weighted assets)**	**10.72%**		
64	**Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)**	**4.5%**		
65	**of which: capital conservation buffer requirement**	0.00%		
66	**of which: Bank specific countercyclical buffer requirement**	-		
67	**of which: G-SIB buffer requirement**	-		
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)**	**4.50%**		
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 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		
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)	13160.96		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	14601.46		
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, 2021)				
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		

Table DF – 12	Reconciliation of Regulatory Capital Items

Position as on 30.09.2013

(Rs. in million)

S. No.	Particulars	Balance sheet as in financial statements	Ref. No.
A.	**Capital & Liabilities**		
i.	Paid-up Capital	5000.26	A1
	Reserves & Surplus	115845.04	-
	of which:		
	Statutory Reserve	27543.87	B1
	Capital Reserve	3944.05	B2
	Revenue & Other Reserves	37734.28	B3
	Investment Reserve Account	890.85	D1
	Share Premium	17960.79	A2
	Special Reserve	9310.00	B4
	Revaluation Reserve	8540.23	D2
	Minority Interest	0.00	-
	Total Capital	120845.30	-
ii.	Deposits	1803957.38	-
	of which: Deposits from Banks	9344.72	-
	of which: Customer deposits	1794612.66	-
iii.	Borrowings	118580.49	-
	of which: From RBI	9000.00	-
	of which: From Banks	1252.09	-
	of which: From other institutions & agencies	1696.13	-
	of which: Others (Outside India)	69513.27	-
	of which: Capital instruments	37119	-
	Of which: Subordinated Innovative Perpetual Debt Instruments	3000	C1
	Of which: Subordinated Debt – Upper Tier II Capital	10000	C2

	Of which: Subordinated Debt – Tier II Capital	24119	C3
iv.	Other liabilities & provisions	42589.75	-
	Total	**2085972.93**	
B.	**Assets**		
i.	Cash and balances with Reserve Bank of India	88397.29	-
	Balance with Banks and money at call and short notice	76382.01	-
ii.	Investments:	561553.08	-
	of which: Government securities	464719.43	-
	of which: Other approved securities	455.81	-
	of which: Shares	4275.59	-
	of which: Debentures & Bonds	35514.63	-
	of which: Subsidiaries / Joint Ventures / Associates	1512.75	-
	of which: Others (Commercial Papers, Mutual Funds etc.)	5507.49	-
iii.	Loans and advances	13189557.27	-
	of which: Loans and advances to Banks		-
	of which: Loans and advances to customers		-
iv.	Fixed assets	12809.01	-
v.	Other assets	27874.27	-
	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	-
	Total Assets	**2085972.93**	

Table DF – 13	Main Features of Regulatory Capital

A. Equity Capital

The main features of Equity capital are as follows:

S. No.	Particulars	Equity
1	Issuer	Allahabad Bank
2	Unique identifier	ISIN: INE428A01015
3	Governing law(s) of the instrument	Indian Laws
Regulatory treatment		
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 Shares
8	Amount recognised in regulatory capital (as of most recent reporting date)	Rs 5000.26 million
9	Par value of instrument	Rs 10 per share
10	Accounting classification	Shareholder's Equity
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
Coupons / dividends		
17	Fixed or floating dividend/coupon	NA
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
31	If write-down, write-down trigger(s)	NA

S. No.	Particulars	Equity
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. Tier I capital instruments

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

S. No.	Particulars	Tier I series I	Tier I 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
Regulatory treatment			
4	Transitional Basel III rules	Additional Tier 1	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 1350 million	Rs 1350 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 Contingent Call Dates: NA Redemption at par	Optional Call Date: 18th December 2019 Contingent call dates: NA Redemption At Par
16	Subsequent call dates, if applicable	Every interest payment date after 30th March 2019	Every interest payment date after 18th December 2019
Coupons / dividends			
17	Fixed or floating dividend/coupon	Fixed	Fixed
S.	**Particulars**	**Tier I series I**	**Tier I Series II**

No.			
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
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 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
Regulatory treatment			
4.	Transitional Basel III rules	Tier 2	
5.	Post-transitional Basel III rules	Ineligible	
6.	Eligible at solo/group/ group & solo	Solo & Group	
7.	Instrument type	Upper Tier II	
8.	Amount recognised in regulatory capital (` in million, as of most recent reporting date)	Rs 4500 million	Rs 4500 million
9.	Par value of instrument	Rs 1 million per Bond	Rs 1 million per Bond
10.	Accounting classification	Liability	
11.	Original date of issuance	19th march 2009	18th December 2009
12.	Perpetual or dated	Dated	
13.	Original maturity date	19th March 2024	18th December 2024
14.	Issuer call subject to prior supervisory approval	Yes	
15.	Optional call date, contingent call dates and redemption amount	Optional Call Date: 19th March 2019 Contingent call dates: NA Redemption At Par	Optional Call Date: 18th December 2019 Contingent call dates: NA Redemption At Par
16.	Subsequent call dates, if applicable	NA	
Coupons / dividends			
17.	Fixed or floating dividend / coupon	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 exercise by the Bank then 50 bps over and above coupon rate of 9.28% i.e. 9.78% p.a. payable annually after 19th March 2019	8.58% p.a. payable annually from issue date till the first call option date and if the call option is not exercise by the Bank then 50 bps over and above coupon rate of 8.58% i.e. 9.08% p.a. payable annually after 18th December 2024
19.	Existence of a dividend stopper	No	

S. No.	Particulars	Series I	Series II
20.	Fully discretionary, partially discretionary or mandatory	Partially discretionary	Partially discretionary
21.	Existence of step up or other incentive to redeem	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. Subordinate Bonds

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
Regulatory treatment						
4.	Transitional Basel III rules	Tier 2				
5.	Post-transitional Basel III rules	Ineligible				
6.	Eligible at solo/group/ group & solo	Solo & Group				
7.	Instrument type	Tier 2 Instruments				
8.	Amount recognised in regulatory capital (` in million, as of most recent reporting date)	Rs 2000 million	Rs 2247.60 million	Rs 3000 million	Rs 4000 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				
11.	Original date of issuance	13th march 2006	29th September 2006	25th September 2007	26th March 2009	4th August 2009
12.	Perpetual or dated	Dated				
13.	Original maturity date	13th march 2016	29th September 2016	25th September 2017	26th March 2019	4th August 2019
14.	Issuer call subject to prior supervisory approval	No				
15.	Optional call date, contingent call dates and redemption amount	No				
16.	Subsequent call dates, if applicable	NA				
Coupons / dividends						
17.	Fixed or floating dividend / coupon	Fixed				

S. No.	Particulars	Series V	Series VI	Series VII	Series VIII	Series IX
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				
20.	Fully discretionary, partially discretionary or mandatory	Partially discretionary				
21.	Existence of step up or other incentive to redeem	Yes				
22.	Noncumulative or cumulative	Non-Cumulative				
23.	Convertible or non-convertible	Non-Convertible				
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				
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)					
36.	Non-compliant transitioned features	Yes				
37.	If yes, specify non-compliant features	No Basel III Loss Absorbency				