PILLAR III DISCLOSURES UNDER THE NEW CAPITAL ADEQUACY FRAMEWORK (BASEL III)

1. SCOPE OF APPLICATION

Development Credit Bank Limited is a scheduled commercial bank which was incorporated on May 31, 1995. The Bank has no subsidiaries.

As on September 30, 2013, the Bank does not have investment in any insurance entity.

2. CAPITAL ADEQUACY AND CAPITAL STRUCTURE

Under Basel III banks are required to maintain a minimum Pillar 1 Capital to Risk-weighted Assets Ratio (CRAR) of 9% on an on-going basis (other than capital conservation buffer and countercyclical capital buffer etc.).

Capital funds are classified into Tier-I and Tier-II capital under the capital adequacy framework.

Tier-I Capital:

The Bank's Tier I capital will consist of Common Equity Tier I and Additional Tier I capital. Common Equity Tier 1 (CET1) capital must be at least 5.5% of risk-weighted assets (RWAs) i.e. for credit risk + market risk + operational risk on an ongoing basis and Additional Tier I capital can be a maximum of 1.5%, thus making total Tier I capital to be at least 7%.

In addition to the minimum Common Equity Tier 1 capital of 5.5% of RWAs, banks are also required to maintain a capital conservation buffer (CCB) of 2.5% of RWAs in the form of Common Equity Tier 1 capital.

Tier-I capital includes paid-up equity capital, share premium, statutory reserves, capital reserves, other disclosed free reserves and balance in Profit and Loss account at the end of the previous financial year. Profits in current financial year may be included in Tier I based on fulfilment of certain conditions regarding incremental provisions for non-performing assets.

Equity Capital

The Bank has authorized share capital of ₹ 5.00 billion comprising 500,000,000 equity shares of ₹ 10/- each. As on September 30, 2013 the Bank has issued subscribed and paid-up capital of ₹ 2.50 billion, constituting 250,207,097 shares of ₹ 10/- each. The provisions of the Companies Act, 1956 and other applicable laws and regulations govern the rights and obligations of the equity share capital of the Bank.

Tier-II Capital:

Provisions or loan-loss reserves held against future, presently unidentified losses, which are freely available to meet losses which subsequently materialize, will qualify for inclusion within Tier 2 capital. Tier II capital will also include debt capital instruments issued by banks and their premium, if any, and Revaluation Reserves.

The Bank's Tier II capital include revaluation reserve, investment reserve, general provision for standard assets and subordinated debt instruments (lower Tier II bonds) eligible for inclusion in Tier II capital.

Subordinated Debt (Lower Tier II bonds)

As on September 30, 2013, the Bank had an outstanding subordinated debt (Unsecured Redeemable Non-convertible Bonds) aggregating ₹ 650 million, the details of which are stated below:

(₹ million)

Issue Series	Deemed Date of Allotment	Coupon Rate (% p.a.)	Tenure (in months)	Equivalent Amount as on September 30, 2013
IV	August 31, 2009	11.25	68	650.00
Total				**650.00**

Composition of Capital – Tier I and Tier II:

(₹ million)

Particulars	As on September 30, 2013
1. Tier I capital	
1.1 Paid-up share capital	2,502.1
1.2 Reserves	9,420.6
1.3 Gross Tier I capital (1.1 + 1.2)	11,922.7
1.4 Deductions	2,496.8
1.5 Total Tier I capital (1.3 - 1.4)	**9,425.9**
2. Tier II capital	
2.1 Subordinated Debt (Lower Tier II bonds)	117.0
2.2 General Provisions/IRA and Revaluation Reserves	557.3
2.3 Gross Tier II capital (2.1 + 2.2)	674.3
2.4 Deductions	0
2.5 Total Tier II capital (2.3 - 2.4)	**674.3**
3. Debt capital instruments eligible for inclusion in Upper Tier II capital	
3.1 Total amount outstanding	-
3.2 Of which amount raised during the current year	-
3.3 Amount eligible to be reckoned as capital funds	-
4. Subordinated debt eligible for inclusion in Lower Tier II capital	
4.1 Total amount outstanding	650.0
4.2 Of which amount raised during the current year	-
4.3 Amount eligible to be reckoned as capital funds	117.0
5. Other deductions from capital	
5.1 Other deductions from capital	-
6. Total eligible capital	
6.1 Total eligible capital (1.5 + 2.5)	**10,100.2**

2.1 CAPITAL ADEQUACY ASSESSMENT PROCESS

The Bank has a process for assessing its overall capital adequacy in relation to the Bank's risk profile and a strategy for maintaining its capital levels. The process ensures that the Bank has adequate capital to support all the material risks and an appropriate capital cushion. The Bank identifies, assesses and manages comprehensively all risks that it is exposed to through robust risk management framework, control mechanism and an elaborate process for capital calculation and planning.

The Bank has formalised and implemented a comprehensive Internal Capital Adequacy Assessment Process (ICAAP). The Bank's ICAAP covers the capital management policy of the Bank and also sets the process for assessment of the adequacy of capital to support current and future projections / risks.

The Bank has a structured process for the identification and evaluation of all risks that the Bank faces, which may have an adverse material impact on its financial position. The Bank considers the following risks as material risks it is exposed to in the normal course of its business and therefore, factors these while assessing / planning capital:

- Credit Risk
- Concentration Risk
- Market Risk
- Operational Risk
- Interest Rate Risk in the Banking Book
- Liquidity Risk
- Strategy Risk
- Reputational Risk
- Residual Risk
- Economy risk

The Bank has also implemented a Board approved Stress Testing policy. Stress Testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible ("stressed") business conditions. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a quarterly basis on the Bank's on and off balance sheet exposures to test the impact of Credit, Liquidity risk and Interest Rate Risk in the Banking book (IRRBB). The stress test results are put up to the Risk Management Committee (RMC) of the Board on a quarterly basis, for their review and guidance. The Bank periodically assesses and refines its stress tests in an effort to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of market conditions. The stress tests are used in conjunction with the Bank's business plans for the purpose of capital planning in the ICAAP. The Bank has also implemented a Board approved separate Stress Testing Policy / Model for its Securitized portfolio.

In line with the RBI guidelines for implementing the New Capital Adequacy Framework under Basel III, the Bank has successfully migrated to the framework from April 1, 2013. The Bank has continued parallel run of Basel II framework continuously tracking the exposures and studied the impact on Bank's Capital to Risk weighted Assets Ratio (CRAR) on a monthly basis. In accordance with the RBI's requirement, the Bank has continued to adopt Standardised Approach (SA) for Credit Risk and Basic Indicator Approach (BIA) for Operational Risk to compute capital as on September 30, 2013. Besides this, the Bank continues to apply the Standardised Duration Approach (SDA) for computing capital requirement for Market Risk. RBI has prescribed banks to maintain a minimum CRAR of 9% with regard to credit risk, market risk and operational risk on an ongoing basis.

2.2 CAPITAL ADEQUACY AS ON SEPTEMBER 30, 2013

The total Capital to Risk weighted Assets Ratio (CRAR) as per Basel III guidelines works to 13.81% as on September 30, 2013 (as against minimum regulatory requirement of 9%). The Tier I CRAR stands at 12.89%. The Bank has followed the RBI guidelines in force, to arrive at the eligible capital, risk weighted assets and CRAR.

Capital requirements for Credit Risk, Market Risk and Operational Risk:

(₹ million)

Particulars	As on September 30, 2013
1. Capital requirement for Credit Risk	**6,018.2**
• Portfolio subject to Standardised Approach	5,858.8
• Securitization Exposures	159.4
2. Capital requirement for Market Risk	**56.6**
• Standardised Duration Approach	
o Interest Rate Risk	**24.7**
o Foreign Exchange Risk (Including gold)	**31.5**
o Equity Risk	**0.4**
3. Capital requirement for Operational Risk	**506.6**
• Basic Indicator Approach	506.6
Total capital requirements at 9% (1 + 2 + 3)	**6,581.4**
Total capital	**10,100.2**
CRAR %	**13.81%**
Tier-I CRAR %	**12.89%**

3. RISK EXPOSURE AND ASSESSMENT

The Bank is exposed to various types of risk such as Credit, Market, Operation, Liquidity, Interest Rate, Reputational, Legal and Strategic risk. The Bank has separate and independent Risk Management Department in place which oversees all types of risks in an integrated fashion.

The objective of risk management is to have optimum balance between risk and return. It entails the identification, measurement and management of risks across the various businesses of the Bank. Risk is managed through framework defined in policies approved by the Board of Directors and supported by an independent risk management function which monitors and takes corrective action so that the Bank operates within its risk appetite. The risk management function attempts to anticipate vulnerabilities through quantitative or qualitative examination of the embedded risks in various activities. The Bank continues to focus on refining and improving its risk measurement systems. In addition to ensuring compliance with regulatory requirements, the Bank has developed robust internal systems for assessing capital requirements keeping in view the business objectives.

The Board of Directors (BOD) approves the strategies and policies for Risk Management, based on recommendations of the Risk Management Committee (RMC) of the Board set up to focus upon risk management issues. The RMC reviews various aspects of risk arising from the businesses undertaken by the Bank. Operating level risk committees comprising of senior management viz. Asset Liability Management Committee (ALCO), the Operational Risk Management Committee (ORCO) and the Credit Risk Management Committee (CRMC) oversee specific risk areas. These committees in turn provide inputs for review by the Risk Management Committee (RMC).

3.1 Risk Management Committee (RMC) of the Board:

The Risk Management Committee of the Board is the primary tier to oversee implementation of Board approved strategies and policies, recommend setting up of tolerance limits wherever required, monitor implementation of strategies and policies, as well as adherence to prescribed tolerance limits etc. The RMC oversees the functioning of Executive level Committees for risk management. For this purpose, the minutes of the meetings of the Executive Level Committees are placed before RMC

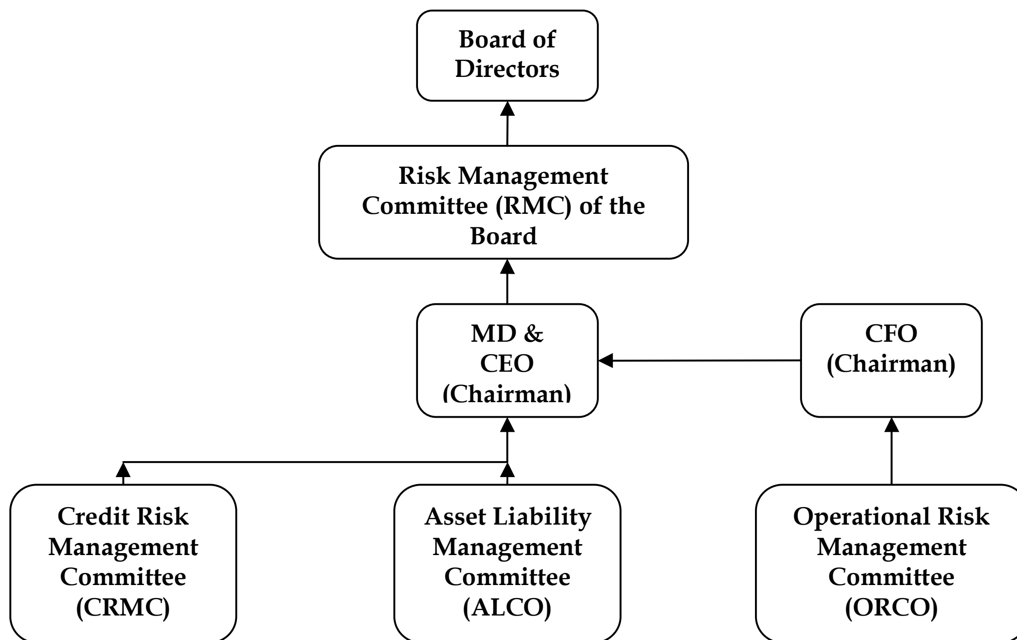
regularly. Matters relating to Credit risk are routed through the Credit Committee of Board (CCB) which also approves individual credit exposure in excess of executive delegated lending authority.

3.2 Executive Level Committees:

At Executive Management level, the organizational responsibilities for implementing and monitoring Board approved strategies and policies and adhering to prescribed tolerance limits etc. are as under:

Sr. No.	Executive Level Committee	Focus Area	Chairman
1	Asset Liability Management Committee (ALCO)	All aspects of Market Risk management, monitoring & control	Managing Director & Chief Executive Officer (MD & CEO)
2	Credit Risk Management Committee (CRMC)	All aspects of Credit Risk management, monitoring & control	Managing Director & Chief Executive Officer (MD & CEO)
3	Operational Risk Management Committee (ORCO)	All aspects of Operational Risk management, monitoring & control	Chief Financial Officer (CFO)

All the Executive Level Committees meet at least once in a month. ALCO however meets more frequently depending upon market conditions.



4. CREDIT RISK

4 (a) Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. In a bank's portfolio, losses stem from outright default due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions.

The Bank adopts the definition of 'past due' and 'impaired credits' (for accounting purposes) as defined by Reserve Bank of India under Income Recognition, Asset Classification and Provisioning (IRAC) norms.

4.a.i Credit Risk Management:

Credit Risk Management Committee (CRMC) headed by MD & CEO is the top-level functional committee for managing credit risk. The committee is responsible for implementation of Credit Risk Management policy approved by the Bank's Board. The committee considers and takes decision necessary to manage and control credit risk within the overall quantitative prudential limits approved by the Bank's Board. The committee is entrusted with the responsibilities to formulate standards for presentation of credit proposals, financial covenant, rating standards and benchmarks. The committee also oversees compliance with Pillar II requirements under Basel II such as ICAAP and Stress Test.

The Bank has successfully implemented RAM rating model of CRISIL which is being used to assess the credit rating of all business loans exceeding ₹ 10 million. The rating serves as a single point indicator of the diverse counterparty risk for taking credit decision. The rating migration is monitored on regular interval.

The Bank has a well developed credit monitoring system to monitor the health of the loan accounts and to detect the delinquencies at the initial stage. A separate department independent of the business units is monitoring the transactions in all the Corporate, Agri and Incl.usive Banking (AIB), SME and MSME exposures with credit limits exceeding ₹ 10 million with a view to detect any early warning signals.

The Bank adopts an integrated approach to credit risk management, which encompasses:

- Establishment and articulation of corporate priorities
- Institution and inculcation of an appropriate credit culture
- Determination of specific credit risk strategy and profile
- Implementation of appropriate credit risk controls
- Monitoring the effectiveness of credit risk controls

The Bank has implemented the Standardized approach for regulatory capital measurement for credit risk.

4.a.ii Credit Strategy and Risk Profile:

The Bank adopts a credit risk strategy and risk appetite, which is in line with its risk taking ability to ensure conservation and growth of shareholder funds, with a proper balance between risk and reward. Financial resources are allocated to best optimize the risk reward ratio.

There is a clearly articulated definition of acceptable credit risk, based upon:

- Identification of target markets/segments
- Establishing of characteristics of desirable customers within the target market
- Assessing whether adequate resources are available to support the business
- Ensuring that all economic and regulatory requirements are complied with
- Ensuring that the portfolio is consistent with the Bank's strategy and objectives especially in relation to risk concentration, maturity profile and liquidity management

4.a.iii Credit Risk Controls:

Credit risk controls focus on identification, measuring, monitoring and managing the assumed risks and include:

- A documented credit policy and credit risk management policy
- Approval process with delegated authorities
- Asset quality and risk rating system and its verification
- Effective loan disbursement mechanism to minimise the legal risk
- Effective loan administration to ensure past-due management and bad loan detection
- A loan review mechanism
- Portfolio management tools to manage portfolio risks

Management of credit risk is at three levels:
- Strategic or Portfolio level, so as to ensure that no single event can have a significant adverse impact
- Established credit policy to have a minimum standard for assuming risk
- Reliance on the competence of trained staff to make sound credit decisions

There is a clear separation in functional responsibilities between:
- Origination and sales
- Credit assessment and approvals
- Post- sanction loan administration and
- Credit Risk Management

The Bank relies upon formal and conventional risk assessment, viz.:
- The ability and willingness of borrowers to repay
- Dependence primarily on cash flows for repayment with security taken to provide a secondary source of repayment
- Quality of data and analysis thereof forms the basis of assessment and not external reputation or unsubstantiated beliefs
- Rational assessment of probability of default and assessment of 'Worst Case Scenario'
- Transparency and communication of all relevant facts (negative as well as positive) necessary for making an informed credit decision
- Documentation of all assessment, rationale and decisions

Know Your Customers 'KYC' forms the bedrock of initiating and sustaining any relationship.

The Bank's selection of personnel and systems of rewarding performance is aligned to meet the Bank's stated key priorities. There is a commitment to training and upgrading of staff skills. Strong 'ownership' of exposures is encouraged, through rewards as well as strong accountability.

4 (b) Total gross credit risk exposure as on September 30, 2013:

(₹ million)

Category	Exposure
Fund based [1]	89,091.5
Non fund based [2]	21,191.1
Total	**110,282.6**

Note:
1. Fund based credit exposure excludes Cash in hand, Balance with RBI, SLR investments, shares, deposits placed NABARD, SIDBI & NHB, Fixed and Other assets.
2. Non-fund based exposure includes outstanding Letter of Credit, Acceptances and Bank Guarantee exposures.

Exposures reported above include limits or outstanding whichever is higher, for other than term loans and NPAs. In case of terms loans and NPAs, the outstanding amount has been considered for this purpose.

4 (c) Geographical distribution of exposures as on September 30, 2013:

(₹ million)

Category	Domestic	Overseas
Fund based	89,091.5	-
Non fund based	21,191.1	-
Total	**110,282.6**	**-**

4 (d) Industry type distribution of exposures as on September 30, 2013:

(₹ million)

Industry	Fund based Exposure	Non fund based Exposure
Trade	9,518.55	5,198.22
Agriculture	8,295.66	254.64
Construction	2,361.94	3,604.58
All Engineering	3,148.40	2,167.76
Chemical & Chemical Products	3,300.53	1,930.92
Real Estate	4,476.20	273.23
Food Processing	4,427.09	28.25
NBFC	4,146.50	-
Basic Metal & Metal Products	3,079.87	604.53
Infrastructure (including Energy & Telecommunications)	1,186.10	1,275.00
Misc. Services	1,161.99	1,298.55
Logistics	2,310.75	70.57
Textiles	1,601.47	25.87
Rubber, Plastic & plastic Products	844.36	249.54
Capital Market Loans to Individuals	32.99	1,012.50
Gems & Jewellery	829.05	157.50
IT & related	764.18	117.86
Cement & Cement Products	836.96	19.17
Petroleum, Coal Products & Nuclear fuels	516.58	299.80
Brokers	334.80	349.88
Travels & Tourism	500.30	160.07
Beverages (Excl. Tea & Coffee) and Tobacco	474.71	-
Vehicles, Vehicle Parts & Transport Equipments	406.51	20.07
Renting of equipments	395.21	16.61
Leather & Leather Products	388.17	14.68
Wood & Wood Products	308.25	-
Other Manufacturing	213.11	38.17
Finance (Others)	80.47	160.00
Paper & Paper Products	189.23	12.98
Glass & Glassware	66.22	-
Mining & Quarrying	31.51	12.00
Residual	29.46	1,089.68
Retail Loans*	32,834.41	881.47
Total Exposure	**89,091.54**	**21,344.10**

Note : Retail Loan includes Housing loans, Retail Business loans, Gold loans, Loan against term deposits, Vehicle loans, Personal & Consumer loans and Staff loans.

4 (e) Residual contractual maturity breakdown of assets as on September 30, 2013:

(₹ million)

Assets	Next Day	2-7 Days	8-14 Days	15-28 Days	29 Days -3 Months	3 Months -6 Months	6 Months -1 Year	1-3 Years	3-5 Years	Above 5 Years	TOTAL
Cash	949.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	**949.5**
Balance with RBI	328.8	68.9	149.6	145.4	373.7	310.1	627.9	1,448.3	92.7	9.2	**3,554.5**
Balances with Other Banks	2,132.3	0.0	0.0	0.0	70.3	1.1	0.1	3.0	0.0	0.0	**2,206.8**
Investments	0.0	0.0	1,146.8	2,575.5	3,880.6	232.6	629.5	6,332.9	3,437.6	14,899.5	**33,135.0**
Advances (Excl NPA provn)	352.5	593.7	622.6	637.7	5,090.1	3,215.1	6,536.2	24,797.1	6,011.5	18,908.6	**66,765.1**
Fixed Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,372.6	**2,372.6**
Other Assets (net)	394.0	63.3	52.2	36.0	261.2	139.7	37.9	993.4	210.0	80.9	**2,268.6**
Total	**4,157.1**	**725.8**	**1,971.2**	**3,394.6**	**9,675.9**	**3,898.5**	**7,831.7**	**33,574.6**	**9,751.8**	**36,270.8**	**1,11,252.1**

Advances and Provisions:

(₹ million)

Particulars	As on September 30, 2013
(f)Amount of NPAs (Gross)	
i. Substandard	586.7
ii. Doubtful 1	359.1
iii. Doubtful 2	203.2
iv. Doubtful 3	426.5
v. Loss	775.3
(g) Net NPAs	571.6
(h) NPA Ratios	
i. Gross NPAs to gross advances (%)	3.43%
ii. Net NPAs to Net Advances (%)	0.86%
(i) Movement of NPAs(Gross)	
i. Opening balance	2,149.8
ii. Additions during the year	391.0
iii. Reductions during the year	190.0
iv. Closing balance	2,350.8
(j) Movement of provisions for NPAs (excluding provision on Standard Assets)	
i. Opening balance	1,594.6
ii. Provision made during the year	202.6
iii. Write-off / write-back of excess provisions	84.4
iv. Closing balance	1,712.8
(k) Amount of Non-Performing Investments	4.1
(l) Amount of provisions held for non-performing investments	4.1
(m) Movement of depreciation on investments	
i. Opening balance	2.2
ii. Add: Provision made during the year	5.8
iii. Less: Write-off/ write-back of excess provision during the year (including depreciation utilized on the sale of securities)	3.7
iv. Closing balance	4.3

5. CREDIT RISK: Disclosures for portfolio subject to the Standardised Approach

5 (a) The Bank has used the ratings of the following domestic external credit rating agencies for the purpose of risk weighting their claims on the domestic entities for capital adequacy purpose:

i. CRISIL Ltd
ii. Credit Analysis and Research Limited and
iii. ICRA Limited

In case of overseas entities, international Credit rating agencies, Standard and Poor's, Moody's and Fitch have been used.

5 (b) A description of the process used to transfer public issuer ratings onto comparable assets in the banking book:

- Bank has used short term ratings for assets with maturity up to one year and long-term ratings for assets maturing after one year as accorded by the approved external credit rating agencies.
- Bank has not cherry picked ratings. Bank has not used one rating of a CRA (Credit Rating Agency) for one exposure and another CRA's rating for another exposure on the same counterparty unless only one rating is available for a given exposure.
- Notwithstanding the repayable on demand condition, cash credit exposures have been subjected to Long-term rating.
- If an issuer has a long term external credit rating that warrants RW (Risk Weight) of 150%, all unrated exposures on the same issuer whether long or short is assigned the same 150% RW unless mitigated by recognized Credit Risk Mitigation (CRM) techniques.
- Bank has used only solicited rating from the recognized CRAs. In case the issuer has multiple ratings from CRAs, the Bank has a policy of choosing (if there are two ratings) lower rating.
- Where RW associated with the rating by a CRA for a specific investment instrument is lower than one corresponding to unrated exposure, but the Bank's exposure is not in that instrument but some other debt, the RW for the rated exposure has been applied to Bank's unrated exposure provided the latter ranks pari-passu or senior to the specific rated exposure and the maturity of Bank's claim is not later than the rated exposure.
- If either the issuer or a single issue has been rated warranting RW equal or higher than unrated claim, a claim on the same issuer which is unrated but ranks pari-passu or junior to the rated exposure has been assigned the same RW as the rated exposure.
- No recognition of CRM technique has been taken into account in respect of a rated exposure if that has already been factored by the CRA while carrying out the rating.

For exposure amounts after risk mitigation subject to the standardised approach, amount of a Bank's outstanding (rated and unrated) in the following three major risk buckets as well as those that are deducted as on September 30, 2013 are as follows:

(₹ million)

Particulars	FB	NFB
Below 100% risk weight	46,333.3	3,590.6
100% risk weight	28,307.3	7,855.5
More than 100% risk weight	1,519.4	802.9
Total	**76,160.0**	**12,249.0**

6. CREDIT RISK MITIGATION: Disclosures for Standardised Approach

6 (a) The Bank has adopted Credit Risk Mitigation (CRM) Techniques and Collateral Management (CM) guidelines issued by RBI under Master circular – Prudential guidelines on capital Adequacy and Market Discipline – New Capital Adequacy Framework (NCAF).

The Bank has utilized credit risk mitigation in the case of Bank's own deposits, Kisan Vikas Patra, LIC policies, National Saving Certificate and gold, wherever the collateral is identifiable, marketable and enforceable and complies with RBI requirements. Sovereign exposures and Sovereign guaranteed exposures are risk weighted as per RBI directives.

The general principles applicable for use of credit risk mitigation techniques are as under:

i. No transaction in which Credit Risk Mitigation (CRM) techniques are used has been assigned higher capital requirement than as otherwise identical transaction where such techniques are not used.
ii. The Bank has taken care to see that effects of CRM are not double counted. To ensure this no additional supervisory recognition of CRM for regulatory capital purposes are made available on claims for which an issue-specific rating is used that already reflects that CRM.
iii. Principal-only ratings will not be allowed within the CRM framework. The rating should cover principal and interest.

The Bank has, therefore, put in place robust procedures and processes to control these risks, including strategy, consideration of the underlying credit, valuation, policies and procedures systems, control of roll-off risks, and management of concentration risk arising from the use of CRM techniques and its interaction with the Bank's overall credit risk profile.

6 (b) Eligible Financial Collateral:

The following eligible collateral instruments are used for recognition in the comprehensive approach:

i. Cash (as well as certificates of deposit or comparable instruments, including fixed deposit receipts, issued by the lending bank) on deposit with the bank which is incurring the counterparty exposure.
ii. Gold: Gold would include both bullion and jewellery.
iii. Securities issued by Central and State Governments
iv. Kisan Vikas Patra and National Savings Certificates
v. Life insurance policies with a declared surrender value of an insurance company which is regulated by an insurance sector regulator.
vi. Debt securities rated by a chosen Credit Rating Agency in respect of which the banks should be sufficiently confident about the market liquidity where these are either:
    a. Attracting 100 per cent or lesser risk weight i.e. rated at least BBB (-), when issued by public sector entities and other entities (including banks and Primary Dealers); or
    b. Attracting 100 per cent or lesser risk weight i.e. rated at least PR3/ P3/F3/A3 for short-term debt instruments.
vii. Debt securities not rated by a chosen Credit Rating Agency in respect of which the banks should be sufficiently confident about the market liquidity where these are:
    a. Issued by a bank
    b. Listed on a recognised exchange
    c. Classified as senior debt
    d. all rated issues of the same seniority by the issuing bank are rated at least BBB(-) or CARE A3/ CRISIL A3/ India Ratings and Research Private Limited (India Ratings) A3/ICRA A3/Brickwork A3/SMERA A3 by a chosen Credit Rating Agency; and
    e. the bank holding the securities as collateral has no information to suggest that the issue justifies a rating below BBB(-) or CARE A3/ CRISIL A3/ India Ratings and Research Private Limited (India Ratings) A3/ICRA A3/Brickwork A3/SMERA A3 (as applicable) and;
    f. Banks should be sufficiently confident about the market liquidity of the security

viii. Units of Mutual Funds regulated by the securities regulator of the jurisdiction of the bank's operation mutual funds where:

a. a price for the units is publicly quoted daily i.e., where the daily NAV is available in public domain; and
b. Mutual fund is limited to investing in the instruments listed in this paragraph.

ix. Re-securitisations, irrespective of any credit ratings, are not eligible financial collateral.

(₹ million)

Particular	As on September 30, 2013
Total exposure covered by eligible financial collateral after application of applicable haircuts	8,780.0

6(c) Total exposure covered by guarantees/credit derivatives - Nil

7. SECURITIZATION EXPOSURES

As per RBI guidelines on Securitization exposure, investments by banks in securitized assets, representing loans to various categories of priority sector, except 'others' category, are eligible for classification under respective categories of priority sector lending (PSL) depending on the underlying assets.

In FY2012-13, the Bank made investments in securitized assets to meet the PSL targets. These investments were made in six transactions aggregating to ₹ 2,157.4 million, the outstanding of these as on September 30, 2013 was ₹ 75.1 million. The norms regarding due diligence, stress testing and credit monitoring are complied with for these cases.

As on September 30, 2013 the Bank does not have any securitisation exposure as originator.

8. MARKET RISK IN TRADING BOOK

Market risk refers to the uncertainty of future earnings resulting from changes in interest rates, foreign exchange rates, market prices and volatilities. The Bank assumes market risk in its lending and deposit taking businesses and in its investment activities, including position taking and trading. The market risk is managed in accordance with the investment policies, which are approved by the Board. These policies ensure that operations in securities, foreign exchange and derivatives are conducted in accordance with sound and acceptable business practices and are as per the extant regulatory guidelines, laws governing transactions in financial securities and the financial environment. Market Risk in Trading Book is assessed as per the Standardised Duration approach. The capital charge for Held for Trading (HFT) and Available for Sale (AFS) portfolios is computed as per Reserve Bank of India prudential guidelines.

Market risk management objectives:

The objectives of market risk management are as follows:
- Management of liquidity
- Management of interest rate risk and exchange rate risk.
- Proper classification and valuation of investment portfolio
- Adequate and proper reporting of investments and derivative products
- Compliance with regulatory requirements

Structure and organization of the market risk management function:

The Board, through Risk Management Committee, approves the policies with regard to identification, measurement and control of market risks (Interest Rate Risk and Foreign Exchange Risk) and Liquidity Risk. Market Risk department is an independent function. The Market Risk Department exercises independent control over the process of market risk management and recommends changes in processes and methodologies for measuring Market Risk.

Strategies and processes:

To comply with the regulatory guidelines and to have independent control groups there is clear functional separation of:

- Trading (Front office)
- Monitoring and control (Middle office) and
- Settlements (Back office)

The strategy/guidelines for controlling market risk include:

- Direct involvement of experienced line management
- Stringent controls and limits
- Strict segregation of front, middle and back office duties
- Comprehensive periodical reporting of positions
- Regular independent reviews of all controls and limits
- Rigorous testing and auditing of all pricing, trading and risk management

The scope and nature of risk reporting and measurement systems:

Reporting - The Bank periodically reports on the various investments and their related risk measures to the senior management and the committees of the Board. The Bank also periodically reports to its regulator in compliance with regulatory requirements.

Measurement - The Bank has devised various risk metrics for measuring market risk. These are reported to Asset Liability Management Committee by Market Risk Management Department. Some of the risk metrics adopted by the Bank for monitoring its risks are Value-at-Risk, Earnings at Risk, Modified Duration, Stop Loss limits amongst others.

Capital requirements for market risk

(₹ million)

Particulars	**As on September 30, 2013**
• Interest Rate Risk	24.7
• Foreign Exchange Risk (Including gold)	31.5
• Equity Risk	0.4
Capital requirement for Market Risk	**56.6**

9. OPERATIONAL RISK

Operational risk is defined as 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.

The Bank has put in place a Board approved Operational Risk Management Policy which outlines overall framework for management of Operational Risk. The Bank has identified Key Operational Risk Indicators (KORIs) across various units, which are measured, monitored regularly and reported to Operational Risk Management Committee (ORCO) on monthly basis. The Bank has a robust system of reporting Operational Risk events across various units through identified Operational Risk Officers, who are given adequate training to identify and report such events as and when they occur. The Bank has a very effective system of recording and reporting operational losses booked. The Bank also collects qualitative data on self assessment of operational risk faced by various units through Risk Control Self Assessment (RCSA) exercise.

The Bank has implemented Periodic Risk Identification and Controls Evaluation (PRICE) system with a view to develop policy framework for identification and documented plan to mitigate various risks in the Bank. The PRICE system is expected to provide a robust overview of various risks being identified proactively that remain un-mitigated. The PRICE system is pivotal in continuous assessment of our risk and control environment and prioritize our remedial efforts based on risk/impact.

The Bank manages Operational Risk by way of adopting best practices in processes as well as products. All the new and existing process are subjected to rigorous review by Management Committee for Approval of Process (MCAP), which comprises of senior management personnel with diversified experience in banking. Utmost importance is given on communication and understanding of processes at transactional level and compliance to same are monitored through effective internal audits.

The Bank understands the criticality of business continuity in the event of any undesirable / unforeseen incident and has put in place an exhaustive Business Continuity Plan (BCP) in place which is subject to periodic drills. The Bank has robust Information Technology set up with Disaster Recovery (DR) site for critical functions and backups. Further there is a strict adherence to Information Security Policy across the Bank.

As per the mandate from RBI, the Bank is following the Basic Indicator Approach (BIA) for assessment of Operational Risk Capital. The Bank has taken quantitative and qualitative steps in view of moving towards advanced approaches as prescribed by RBI.

Capital requirement for operational risk as per Basic Indicator Approach (BIA) as on September 30,, 2013 is ₹ 506.6 million.

10. INTEREST RATE RISK IN BANKING BOOK

Interest Rate Risk in the Banking Book (IRRBB):

Interest rate risk is the potential change in Net Interest Income (NII) or Economic Value of Equity (Balance Sheet impact), caused by unexpected changes in market interest rates. Since NII or Net Interest Margin (NIM) of Bank is dependent on the movements of interest rates, any mismatches or gaps in the cash-flows on re-pricing dates exposes Bank's NII or NIM to interest rate risk. Interest Rate Risk in Banking Book results from an unavoidable position or gap arising from Bank's normal day to day business by holding assets and liabilities in different maturities and different re-pricing dates.

Risk management framework and monitoring:

The Board of the Bank, through Risk Management Committee (RMC), has overall responsibility for management of risks and it sets limits and policies for management of liquidity risk, market risk including foreign exchange, interest rate and equity risk. The Asset Liability Management Committee

(ALCO), a strategic decision making body constituted by Board, headed by Managing Director and comprising of senior executives of the Bank is responsible for deciding the mix and maturity profile of the assets and liabilities, recommendation of risk policies, setting up of prudential limits to manage the risks and ensuring compliance with the limits set by the Board. The ALM policy of the Bank includes the prudential limits on interest rate risk, liquidity risk, foreign exchange risk and equity risk.

Market Risk Management Department is responsible for monitoring the limits laid down in the ALM Policy through various reports. These reports are prepared at regular intervals and exceptions/deviations are reported to the ALCO/RMC, as may be required by the ALM policy.

Risk measurement and reporting framework:

As a part of its regular activities, ALCO manages the impact of the interest rate risk in banking book, through various limits, reports and tools such as interest rate sensitive gaps, Earnings at risk analysis, duration gap analysis, stress testing, etc. detailed as follows:

Interest rate sensitivity gap:

The interest rate gap risk, at any given date, is the risk arising from the mismatches in the assets & liabilities over the different time intervals. These mismatches or gaps are arrived at after matching rate sensitive assets and rate sensitive liabilities in the particular time bucket taking into account all assets and liabilities (including off Balance Sheet exposure). The rate sensitive assets and liabilities are grouped in the buckets as per the residual maturity or re-pricing date, whichever is earlier and is reported on monthly basis. The gap indicates whether net interest income is positively or negatively impacted by a change in interest rates and the magnitude of the gap approximates the change in net interest income for any given interest rate shift. Limits are fixed on individual gaps.

Earnings at Risk Analysis (EaR):

The gaps in the report indicates whether the Bank is in a position to benefit from rising interest rates by having a positive gap (RSA > RSL) or whether it is in a position to benefit from declining interest rates by a negative gap (RSL >RSA). The Bank monitors the Earnings at Risk on NII for 1% change in interest rates on the open periodic gaps.

Stress testing:

The Bank measures the impact on NIM/ EaR after taking into account various possible movement in interest rates across tenor and impact on the earnings is calculated for each of these scenarios. These reports are prepared on a quarterly basis for measurement of interest rate risk.

Duration gap analysis:

Movement in the interest rates also have a long-term impact on the market value of equity of the Bank, as the economic value of the Bank's assets, liabilities and off-Balance Sheet positions get affected. Duration is a measure of interest rate sensitivity of assets, liabilities and also equity. It may be defined as the percentage change in the market value of an asset or liability (or equity) for a given change in interest rates. Thus Duration Gap Analysis measures by how much the market value of equity of a firm would change for the possible change in the interest rates.

The following tables show the impact on NII and economic value of equity for a given change in the interest rates. The impact is calculated assuming parallel shifts in the yield curve across all time buckets.

i) Impact on NII:

(₹ million)

Currency	Changes in interest rates (in bps)			
	(100)	**(50)**	**50**	**100**
INR	(140.5)	(70.2)	70.2	140.5
USD	(6.3)	(3.1)	3.1	6.3
JPY	0.0	0.0	0.0	0.0
GBP	0.1	0.0	(0.0)	(0.1)
EUR	0.1	0.1	(0.1)	(0.1)
Total	(146.6)	(73.3)	73.3	146.6

ii) Impact on economic value of equity:

(₹ million)

	Changes in interest rates (in bps)			
Currency	**(100)**	**(50)**	**50**	**100**
INR	187.7	375.4	(187.7)	(375.4)
** No major exposure in foreign currencies*				

11. General disclosures for exposures related to counterparty credit risk

Counterparty exposure

Counterparty credit risk in case of derivative contracts arises from the forward contracts. The subsequent credit risk exposures depend on the value of underlying market factors (e.g., interest rates and foreign exchange rates), which can be volatile and uncertain in nature. The Bank does not enter into derivative transactions other than forward transactions.

Credit limits

The credit limit for counterparty bank is fixed based on their financial performance as per the latest audited financials. Various financial parameters such as NPA ratios, liquidity ratios, etc are taken into consideration while assigning the limit. Credit exposure is monitored daily to ensure it does not exceed the approved credit limit. These credit limits are set on the notional exposure basis.

Credit exposures on forward contracts

The Bank enters into the forward contracts in the normal course of business for positioning and arbitrage purposes, as well as for our own risk management needs, including mitigation of interest rate and foreign currency risk. Derivative exposures are calculated according to the current exposures method.

Credit exposure as on September 30, 2013

(₹ million)

	Notional Amount	Gross positive fair value of contracts	Potential future exposure	Total credit exposure
Forward contracts	18,611.6	321.4	372.2	693.7

12. Composition of Capital

(₹ million)

	Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)		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)	10,177.7		
2	Retained earnings	1,745.0		
3	Accumulated other comprehensive income (and other reserves)	0.0		
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	0.0		
	Public sector capital injections grandfathered until January 1, 2018			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	0.0		
6	**Common Equity Tier 1 capital before regulatory adjustments**	11,922.7		
	Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	0.0		
8	Goodwill (net of related tax liability)	0.0		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	499.4	1,997.40	
10	Deferred tax assets	0.0		
11	Cash-flow hedge reserve	0.0		
12	Shortfall of provisions to expected losses	0.0		
13	Securitisation gain on sale	0.0		
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0.0		
15	Defined-benefit pension fund net assets	0.0		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	0.0		
17	Reciprocal cross-holdings in common equity	0.0		
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)	0.0		
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)	0.0		
20	Mortgage servicing rights4 (amount above 10% threshold)	0.0		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0.0		
22	Amount exceeding the 15% threshold	0.0		
23	of which: significant investments in the common stock of financial entities	0.0		
24	of which: mortgage servicing rights	0.0		
25	of which: deferred tax assets arising from temporary differences	0.0		
26	National specific regulatory adjustments (26a+26b+26c+26d)	0.0		
26a	of which: Investments in the equity capital of the unconsolidated insurance subsidiaries	0.0		
26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries	0.0		
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	0.0		
26d	of which: Unamortised pension funds expenditures	0.0		
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	0.0		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	1,997.4		
28	**Total regulatory adjustments to Common equity Tier 1**	2,496.8		
29	**Common Equity Tier 1 capital (CET1)**	9,425.9		

	Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	0.0		
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	0.0		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	0.0		
33	Directly issued capital instruments subject to phase out from Additional Tier 1	0.0		
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)	0.0		
35	of which: instruments issued by subsidiaries subject to phase out	0.0		
36	**Additional Tier 1 capital before regulatory adjustments**	0.0		
	Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	0.0		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	0.0		
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)	0.0		
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)	0.0		
41	National specific regulatory adjustments (41a+41b)	0.0		
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	0.0		
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	0.0		
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	1,997.4		
	of which: Intangibles	1,997.4		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	0.0		
43	**Total regulatory adjustments to Additional Tier 1 capital**	1,997.4		
44	**Additional Tier 1 capital (AT1)**	0.0		
44a	**Additional Tier 1 capital reckoned for capital adequacy**	0.0		
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)**	9,425.9		
	Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0.0		
47	Directly issued capital instruments subject to phase out from Tier 2	117.0		
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)	0.0		
49	of which: instruments issued by subsidiaries subject to phase out	0.0		
50	Provisions	557.3		
51	**Tier 2 capital before regulatory adjustments**	674.3		
	Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	0.0		
53	Reciprocal cross-holdings in Tier 2 instruments	0.0		
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)	0.0		
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0.0		
56	National specific regulatory adjustments (56a+56b)	0.0		
56a	of which: Investments in the Tier 2 capital of unconsolidated subsidiaries	0.0		
56b	of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	0.0		
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	0.0		
57	**Total regulatory adjustments to Tier 2 capital**	0.0		
58	**Tier 2 capital (T2)**	674.3		
58a	**Tier 2 capital reckoned for capital adequacy**	674.3		
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	0.0		
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	674.3		
59	**Total capital (TC = T1 + T2) (45 + 58c)**	10,100.2		

	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment	0.0		
60	**Total risk weighted assets (60a + 60b + 60c)**	73,125.5		
60a	of which: total credit risk weighted assets	66,868.7		
60b	of which: total market risk weighted assets	628.5		
60c	of which: total operational risk weighted assets	5,628.3		
	Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	12.9%		
62	Tier 1 (as a percentage of risk weighted assets)	12.9%		
63	Total capital (as a percentage of risk weighted assets)	13.8%		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	NA		
65	of which: capital conservation buffer requirement	NA		
66	of which: bank specific countercyclical buffer requirement	NA		
67	of which: G-SIB buffer requirement	NA		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	NA		
	National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.5%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.0%		
71	National total capital minimum ratio (if different from Basel III minimum)	9.0%		
	Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financial entities	0.0		
73	Significant investments in the common stock of financial entities	0.0		
74	Mortgage servicing rights (net of related tax liability)	0.0		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	0.0		
	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)	317.9		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	914.1		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	0.0		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	0.0		
	Capital instruments subject to phase-out arrangements			
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		

13. Main Features of Regulatory Capital Instruments

Main Features of Regulatory Capital Instruments

1	Issuer	DEVELOPMENT CREDIT BANK LIMITED
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE503A09067
3	Governing law(s) of the instrument	Indian Law
	Regulatory treatment	
4	Transitional Basel III rules	Subordinated Tier 2 Bonds
5	Post-transitional Basel III rules	Ineligible
6	Eligible at solo/group/ group & solo	Solo
7	Instrument type	Tier 2 Debt Instruments
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	₹ 117 Million
9	Par value of instrument	₹ 1 Million
10	Accounting classification	Liability
11	Original date of issuance	31.08.2009
12	Perpetual or dated	Dated
13	Original maturity date	30.04.2015
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	Fixed
18	Coupon rate and any related index	11.25% p.a.
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	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)	All depositors and other creditors
36	Non-compliant transitioned features	Yes
37	If yes, specify non-compliant features	Tenor less than 10 years; does not have point of Non Viability Trigger

14. Full terms and conditions of Regulatory Capital Instruments

Instruments	Full Terms and Conditions
Unsecured Redeemable Non-Convertible Subordinated Lower Tier -II Bonds (Series-IV) in the nature of Promissory Notes-INE503A09067	Issue Size: ₹ 650 Million. Date of Allotment: 31.08.2009. Date of Redemption: 30.04.2015. Par Value: ₹ 1 Million. Put and Call Option: None. Rate of Interest and Frequency: @11.25%p.a. payable annually. Listing: On the National Stock Exchange of India Ltd (NSE). All in Dematerialised form.