

**DISCLOSURES UNDER NEW CAPITAL ADEQUACY FRAMEWORK (BASEL II)
FOR THE HALF YEAR ENDED 30th SEPTEMBER, 2012**

I. SCOPE OF APPLICATION:

The framework of disclosures applies to Rbl Bank Ltd (hereinafter referred to as the Bank); a scheduled commercial bank, incorporated on August 6, 1943. The Bank does not have any subsidiary nor does have any interest in any insurance entity.

II. CAPITAL STRUCTURE:

		` in Crores	
Sr. No.	Particulars	30-9-2012	30-9-2011
(a)	Tier I Capital:		
	- Paid-up Share Capital	215.47	214.95
	- Reserves	927.54	867.85
	- Innovative instruments	-	-
	- Less – Intangible Assets	1.08	-
	- Less - Deferred Tax Assets	9.16	8.25
	Total Tier -I Capital	1132.77	1074.55
(b)	The total amount of Tier II capital (net of deductions from Tier II capital)	20.20	12.86
(c)	Debt Capital instruments eligible for inclusion in Upper Tier II capital		
	- Total amount outstanding	NIL	NIL
	- Of which amount raised during the current year	NIL	NIL
	- Amount eligible to be reckoned as capital funds	NIL	NIL
(d)	Subordinated debt eligible for inclusion in Lower Tier II capital		
	- Total amount outstanding	NIL	NIL
	- Of which amount raised during the current year	NIL	NIL
	- Amount eligible to be reckoned as capital funds	NIL	NIL
(e)	Other deductions from capital, if any.	NIL	NIL
(f)	Total Eligible Capital	1152.97	1087.41

III. CAPITAL ADEQUACY:

A summary of Bank's capital requirement for credit, market and operational risk along with Capital Adequacy Ratio (CAR) as on 30th September is presented below:

in Crores			
Sr. No.	Particulars	30-09-2012	30-09-2011
(a)	Capital requirements for credit risk:		
	- Portfolios subject to standardised approach	465.68	239.81
	- Securitisation exposures	6.06	5.93
(b)	Capital requirements for Market risk:		
	Standardised Duration Approach		
	- Interest rate risk	73.54	29.36
	- Foreign exchange risk (including gold)	2.02	2.02
	- Equity risk	21.00	1.12
(c)	Capital requirements for Operational risk:		
	- Basic Indicator Approach	28.41	12.08
(d)	Total Capital Adequacy Ratio of the Bank (%)	17.39%	33.71%
	Tier-1 Capital Adequacy Ratio of the Bank (%)	17.09%	33.31%

IV. CREDIT RISK- GENERAL DISCLOSURES:

(a) Total gross credit risk exposures*, Fund based and Non-fund based** separately:

in Crores		
Category	30-09-2012	30-09-2011
Fund Based	6675.75	4060.64
Gross Advances	4595.57	2924.17
Investments in Banking book	1252.08	696.42
All other Assets	828.10	440.05
Non-Fund Based **	970.08	255.69
Total	7645.83	4316.33

* Represents book value as on 30th September.

** Guarantees given on behalf constituents, acceptances, endorsements, other obligations & credit equivalent amount of outstanding forward exchange contracts.

(b) Geographic distribution of exposure*, Fund based & Non-fund** based separately:

in Crores						
	30-09-2012			30-09-2011		
Category	Domestic	Overseas	Total	Domestic	Overseas	Total
Fund Based	6666.38	9.37	6675.75	4060.33	0.31	4060.64
Non-Fund Based	970.08	-	970.08	255.69	-	255.69
Total	7636.46	9.37	7645.83	4316.02	0.31	4316.33

* Represents book value as on 30th September;

** Guarantees given on behalf constituents, acceptances, endorsements, other obligations & credit equivalent amount of outstanding forward exchange contracts.

(c) Industry type distribution* of exposures (gross advances) - Funded & Non-funded

in Crores			
Industry Code	Industry Classification	30.09.2012	
		Funded	Non-Funded
1	A. Mining and Quarrying (A.1 + A.2)	3.59	-
11	A.1 Coal	0.43	-
12	A.2 Others	3.16	-
2	B. Food Processing (Sum of B.1 to B.5)	323.70	1.36
21	B.1 Sugar	147.41	1.00
22	B.2 Edible Oils and Vanaspati	100.64	0.06
23	B.3 Tea	0.10	-
24	B.4 Coffee	-	-
25	B.5 Others	75.55	0.30
3	C. Beverages (excluding Tea & Coffee) and Tobacco (Sum of C.1 & C.2)	0.20	-
31	C.1 Tobacco and tobacco products	0.20	-
32	C.2 Others	-	-
4	D. Textiles (Sum of D.1 to D.6)	199.42	19.55
41	D.1 Cotton	51.15	0.68
42	D.2 Jute	0.10	-
43	D.3 Handicraft / Khadi (Non Priority)	-	-
44	D.4 Silk	-	-
45	D.5 Woolen	-	-
46	D.6 Others	148.17	18.87
47	Out of D (i.e. Total Textiles) to Spinning Mills	3.19	-
5	E. Leather and Leather Products	0.6	-
6	F. Wood and Wood products	-	-
7	G. Paper and Paper Products	86.91	0.07
8	H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	7.9	-
9	I. Chemicals and Chemical Products (Dyes, Paints etc.) Sum of I.1 to I.4)	309.34	32.05

91	I.1 Fertilizers	14.20	10.00
92	I.2 Drugs and Pharmaceuticals	209.58	22.05
93	I.3 Petro-chemicals (excluding under Infra.)	5.56	-
94	I.4 Others	80.00	-
10	J. Rubber, Plastic and their products	47.32	20.77
11	K. Glass & Glassware	0.00	-
12	L. Cement and Cement Products	37.07	17.55
13	M. Basic Metal and Metal Products (M1+M2	114.88	21.19
131	M.1 Iron and Steel	103.09	20.86
132	M.2 Other Metal and Metal Products	11.79	0.33
14	N. All Engineering (N.1 & N.2)	44.58	0.41
141	N.1 Electronics	13.97	0.36
142	N.2 Others	30.61	0.05
15	O. Vehicles, Vehicle Parts & Transport Equip.	22.63	-
16	P. Gems and Jewellery	25.73	31.72
17	Q. Construction	518.41	63.87
18	R. Infrastructure (Sum R.1 to R.4)	205.56	278.59
181	R.1 Transport(Sum of R.1.1 to R.1.5)	76.32	0.06
1811	R.1.1. Railways	-	-
1812	R.1.2 Roadways	75.15	-
1813	R.1.3 Aviation	-	-
1814	R.1.4 Waterways	-	-
1815	R.1.5 Others	1.17	0.06
182	R.2 Energy (Sum of R.2.1 to R.2.4)	71.27	155.19
1821	R.2.1 Electricity (generation-transportation and distribution)	71.27	155.19
18211	R.2.1.1 State Electricity Boards	-	-
18212	R.2.1.2 Others	71.27	155.19
1822	R.2.2 Oil (storage and pipeline)	-	-
1823	R.2.3 Gas / LNG (Storage and pipeline)	-	-
1824	R.2.4 Others	-	-
183	R.3 Telecommunication	-	123.04
184	R.4 Others (Sum of R.4.1 to R.4.3)	57.97	0.30
1841	R.4.1 Water sanitation	-	-
1842	R.4.2 Social & Commercial Infrastructure	-	-
1843	R.4.3 Others	57.97	0.30
19	S. Other Industries	1362.07	44.46
20	All Industries (Sum of A to S)	3308.56	531.59
21	Residuary Other Advances (totally with gross advances)	1287.01	438.49
22	Total Loans and Advances	4595.57	970.08

*As per DSB returns.

As on 30th September 2012, the Bank's exposure to the industries stated below was more than 5% of the total gross credit exposure (advance):

Sr. No.	Industry classification	Percentage of the total gross credit exposure
		30-09-2012
1.	Construction	10.46%

(d) Residual contractual maturity breakdown of assets

As on 30-09-2012

in Crores				
Maturity bucket	Cash, balances with RBI and other banks	Investments	Advances	Other assets including fixed assets
1 day	315.02	110.00	234.31	4.57
2 to 7 days	4.63	7.65	107.98	0.50
8 to 14 days	21.40	16.55	82.80	2.08
15 to 28 days	17.64	164.13	64.55	-
29 days to 3 months	29.11	551.96	210.07	1.84
3 to 6 months	36.93	401.50	249.06	1.91
6 to 12 months	54.35	491.65	647.67	34.04
1 to 3 years	105.77	138.60	1437.19	60.03
3 to 5 years	2.17	172.45	866.62	18.32
Over 5 years	2.67	1024.21	668.03	125.37
Total	589.69	3078.70	4568.28	248.66

As on 30-09-2011

in Crores				
Maturity bucket	Cash, balances with RBI and other banks	Investments	Advances	Other assets including fixed assets
1 day	77.09	0.00	58.15	6.66
2 to 7 days	57.25	32.21	147.73	0.15
8 to 14 days	7.97	0.00	61.66	0.61
15 to 28 days	19.90	13.91	116.64	0.00
29 days to 3 months	32.53	209.01	458.36	0.54
3 to 6 months	37.17	75.72	252.56	0.72
6 to 12 months	26.63	331.19	482.65	11.93
1 to 3 years	69.53	127.68	718.17	15.54
3 to 5 years	4.08	110.95	322.14	2.57
Over 5 years	3.31	736.45	289.26	74.12
Total	335.46	1637.12	2907.32	112.84

(e) Non-Performing Assets (NPA) –

		` in Crores	
		30-09-2012	30-09-2011
(a)	Amount of NPAs (Gross)	34.02	34.23
	- Substandard	3.87	16.33
	- Doubtful 1	15.00	4.37
	- Doubtful 2	7.17	4.77
	- Doubtful 3	2.55	4.53
	- Loss	5.43	4.23
(b)	Net NPAs	6.73	17.38
(c)	NPA ratios		
	- Gross NPAs to gross advances	0.74%	1.17%
	- Net NPAs to Net advances	0.15%	0.60%
(d)	Movement of NPAs (Gross)		
	- Opening balance as on 1 st April	33.11	21.51
	- Additions	3.06	16.29
	- Reductions	2.15	3.57
	- Closing balance as on 30 th Sept.	34.02	34.23
(e)	Movement of provisions for NPAs		
	- Opening balance as on 1 st April	24.72	14.62
	- Provisions made during the period	4.06	3.19
	- Write-off	-	-
	- Write-back of excess provisions	1.49	0.96
	- Closing balance as on 30 th Sept.	27.29	16.85

(f) NPI and movement of provision for depreciation of NPIs –

		` in Crores	
		30-09-2012	30-09-2011
(a)	Amount of Non- Performing Investments	2.29	2.29
(b)	Amount of provisions held for Non- Performing Investments	2.29	2.29
(c)	Movement of provisions for depreciation on investments		
	- Opening balance as on 1 st April	0.00	0.30
	- Provisions made during the period	3.35	10.12
	- Write-off	-	-
	- Write-back of excess provisions	3.35	7.73
	- Closing balance as on 30 th Sept.	0.00	2.69

V. CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH:

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

` in Crores		
Particulars	30-09-2012	30-09-2011
- Below 100% risk weight	3367.01	1969.47
- 100% risk weight	4048.54	2302.86
- More than 100% risk weight	230.28	44.00
- Credit Risk Mitigants (CRM) Deducted	410.02	256.79

VI. CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDISED APPROACHES:

` in Crores			
S N	Particulars	30-09-2012	30-09-2011
1.	Total Exposure (on and off balance sheet) covered by eligible financial collateral after application of haircuts	410.2	256.79
2.	Total Exposure (on and off balance sheet) covered by guarantees / credit derivatives	19.15	NIL

VII. SECURITISATION EXPOSURES: DISCLOSURE FOR STANDARDISED APPROACH:

Banking Book –

` in Crores			
S N	Particulars	30-09-2012	30-09-2011
1.	Total amount of exposures securitised by the Bank	NIL	NIL
2.	For exposures securitised, losses recognized by the Bank during the current period	NIL	NIL
3.	Amount of assets intended to be securitised within a year	NIL	NIL
4.	Of (3), amount of assets originated within a year before securitisation	NIL	NIL

5.	Total amount of exposures securitised & unrecognized gain or losses on sale by exposure type	NIL	NIL																														
6.	Aggregate amount of: - On balance sheet securitisation exposure retained or purchased broken down by exposure type - Off balance sheet securitisation exposure	Securities (PTC) purchased with o/s ` 121.04 Cr., backed by pool of micro-finance loans. NIL	Securities (PTC) purchased with o/s ` 80.95 Cr., backed by pool of micro-finance loans. NIL																														
7.	Aggregate amount of: - Securitisation exposure retained or purchased and the associated capital charges, broken down between exposures & different risk weight bands.	<table><tr><th colspan="3">` in Crores</th></tr><tr><th>Risk Weight</th><th>Exposure</th><th>Capital Charge</th></tr><tr><td>Below 100%</td><td>107.32</td><td>4.83</td></tr><tr><td>100%</td><td>13.72</td><td>1.23</td></tr><tr><td>More than 100%</td><td>-</td><td>-</td></tr></table>	` in Crores			Risk Weight	Exposure	Capital Charge	Below 100%	107.32	4.83	100%	13.72	1.23	More than 100%	-	-	<table><tr><th colspan="3">` in Crores</th></tr><tr><th>Risk Weight</th><th>Exposure</th><th>Capital Charge</th></tr><tr><td>Below 100%</td><td>10.42</td><td>0.18</td></tr><tr><td>100%</td><td>70.53</td><td>5.75</td></tr><tr><td>More than 100%</td><td>-</td><td>-</td></tr></table>	` in Crores			Risk Weight	Exposure	Capital Charge	Below 100%	10.42	0.18	100%	70.53	5.75	More than 100%	-	-
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More than 100%	-	-																															
8.	Exposures that have been deducted entirely from Tier I capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type)	NIL	NIL																														

Trading Book –

		` in Crores	
S N	Particulars	30-09-2012	30-09-2011
1.	Aggregate amount of exposures securitised by the Bank for which the Bank has retained some exposures and which is subject to market risk approach, by exposure type	NIL	NIL
2.	Aggregate amount of: - On balance sheet securitisation exposure retained or purchased broken down by exposure type - Off balance sheet securitisation exposure	Securities (PTC) purchased with market value ` 49.94 Cr. , backed by pool of micro-finance loans. NIL	Securities (PTC) purchased with market value ` 19.45 Cr. , backed by pool of micro-finance loans. NIL

3.	<p>Aggregate amount of securitisation exposures retained or purchased separately for:</p> <ul style="list-style-type: none">- Securitisation exposure retained or purchased subject to Comprehensive Risk Measure for Specific Risk- Securitisation exposure subject to the securitisation framework for specific risk broken down into different risk weight bands	<p>₹ 49.94 Crores</p> <p>₹ in Crores</p> <table><thead><tr><th>Risk Weight</th><th>Exposure</th></tr></thead><tbody><tr><td>Below 100%</td><td>49.94</td></tr><tr><td>100%</td><td>-</td></tr><tr><td>More than 100%</td><td>-</td></tr></tbody></table>	Risk Weight	Exposure	Below 100%	49.94	100%	-	More than 100%	-	<p>₹ 19.45 Crores</p> <p>₹ in Crores</p> <table><thead><tr><th>Risk Weight</th><th>Exposure</th></tr></thead><tbody><tr><td>Below 100%</td><td>19.45</td></tr><tr><td>100%</td><td>-</td></tr><tr><td>More than 100%</td><td>-</td></tr></tbody></table>	Risk Weight	Exposure	Below 100%	19.45	100%	-	More than 100%	-
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4.	<p>Aggregate amount of:</p> <ul style="list-style-type: none">- Capital requirements for securitisation exposures, subject to the securitisation framework broken down into different risk weight bands- Securitisation exposure that are deducted entirely from Tier I capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type)	<p>₹ in Crores</p> <table><thead><tr><th>Risk Weight</th><th>Specific Risk Capital Charge</th></tr></thead><tbody><tr><td>Below 100%</td><td>2.25</td></tr><tr><td>100%</td><td>-</td></tr><tr><td>More than 100%</td><td>-</td></tr></tbody></table> <p>NIL</p>	Risk Weight	Specific Risk Capital Charge	Below 100%	2.25	100%	-	More than 100%	-	<p>₹ in Crores</p> <table><thead><tr><th>Risk Weight</th><th>Specific Risk Capital Charge</th></tr></thead><tbody><tr><td>Below 100%</td><td>0.88</td></tr><tr><td>100%</td><td>-</td></tr><tr><td>More than 100%</td><td>-</td></tr></tbody></table> <p>NIL</p>	Risk Weight	Specific Risk Capital Charge	Below 100%	0.88	100%	-	More than 100%	-
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VIII. MARKET RISK IN TRADING BOOK:

Capital requirement for:

` in Crores		
Particulars	30-09-2012	30-09-2011
Interest Rate Risk	73.54	29.36
Equity Position Risk	21.00	1.12
Foreign Exchange Risk	2.02	2.02

IX. OPERATIONAL RISK

Quantitative Disclosures – Not Applicable

X. INTEREST RATE RISK IN THE BANKING BOOK (IRRBB):

Increase (decline) in earnings and economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB.

Earnings Perspective –

` in Crores		
Interest rate shock	30-09-2012	30-09-2011
1% change in interest rate for 1 year	8.12	1.36

Economic Value Perspective –

` in Crores		
Interest rate shock	30-09-2012	30-09-2011
200 basis point shock	98.64	39.60