BASEL- III DISCLOSURES – QUARTER ENDED 30th SEPTEMBER 2020

Table DF 2 - CAPITAL ADEQUACY

Qualitative disclosures

Bank is already geared up to adopt global best practices while implementing risk management stipulations that are in conformity with the Basel II and Basel III framework.

Comprehensive risk management architecture is in place to address various issues concerning Basel II and Basel III. A quarterly review is carried out to assess the capital need of the Bank, keeping in view the anticipated growth in Risk Weighted Assets (Credit Risk, Market Risk and Operational Risk).

Bank maintains capital as a cushion towards the risk of loss in value of exposure, businesses, etc., to protect the interest of stake holders, more particularly, depositors.

Bank has system in place for assessing the capital requirements based on current and future business activities and monitoring the same on an ongoing basis. The Bank considers that capital availability is the central theme in the whole process and its computation is relatable to policy, strategy, business level/composition, and Supervisory concern and Disclosure issues. Towards this, Bank has evolved a well laid down Internal Capital Adequacy Assessment Process (ICAAP) framework and carries out capital calculation under Pillar-2 of Basel II and also of Basel-III at periodical intervals besides Pillar 1 Capital calculation. The Bank has formulated Stress Testing policy to measure impact of adverse stress scenarios on the adequacy of capital at periodical intervals.

In line with RBI guidelines, the Bank has adopted following approaches for implementation of New Capital Adequacy Framework – Basel II.

- Standardised Approach for credit risk
- Basic Indicator Approach for operational risk
- Standardised Duration Approach for market risk

Though the Bank has implemented the Standardized Approach of credit risk, yet the Bank shall continue its journey towards adopting Internal Rating Based Approaches.

PUNJAB & SIND BANK H.O. Risk Management Deptt. 21 Rajendra Place, New Delhi-8

Capital requirements for credit risk:

Amt. in Lac

- Portfolios subject to standardised approach @ 9%	348352
- Securitisation exposures	Nil

Capital requirements for market risk: Standardised duration approach

Capital Charge on account of General Market Risk	Amt. in Lac
- Interest rate risk	51252
- Foreign exchange risk (including gold)	225
- Equity risk	5183

Capital requirements for operational risk:

	Amt. in Lac
Basic indicator approach	38686

Total and Tier 1 capital ratio for the Bank:

Total Capital to Risk Weighted Assets Ratio as per Basel III	11.11%
Common Equity Tier I Capital to Risk Weighted Assets Ratio as per Basel III	5.98%
Tier I Capital to Risk Weighted Assets Ratio as per Basel III	8.03%

Table DF 3 - CREDIT RISK : GENERAL DISCLOSURES

Qualitative Disclosures

A. DEFINITIONS OF PAST DUE AND IMPAIRED:

The Bank follows the basic prudential guidelines issued by the RBI on classification of Non-Performing Asset (NPA) as under:

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

b) The account remains 'out of order' if the outstanding balance remains continuously in excess of sanctioned limit / DP for more than 90 days and / or there are no credits continuously for 90 days as on the date of Balance Sheet or credits are not enough to cover the interest debited during the same period, in respect of Overdraft/Cash Credit (OD/CC).

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

d) The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops.

e) The installment of principal or interest thereon remains overdue for one crop season for long duration crops.

f) The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of guidelines on securitization dated May 7, 2012.

g) In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remains unpaid for a period of 90 days from the specified due date for repayment.

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

`Overdue' mean any amount due to the Bank under any credit facility, if it is not paid on the due date fixed by the Bank.

In addition to above, an account may also be classified as NPA in terms of the following: Account with temporary deficiencies/irregularities (Refer RBI MC point 4.2.4)

Where the interest charged during any quarter is not serviced fully within 90 days from the end of the quarter, the account is classified as Non-performing asset and ceases to generate income for the Bank.

The classification of an asset as NPA should be based on the record of recovery. Bank should not classify an advance account as NPA merely due to the existence of some deficiencies which are temporary in nature such as non-availability of adequate drawing power based on the latest available stock statement, balance outstanding exceeding the limit temporarily, non-submission of stock statements and non-renewal of the limits on the due date, etc. In the matter of classification of accounts with such deficiencies Banks may follow the following guidelines:

i) Banks should ensure that drawings in the working capital accounts are covered by the adequacy of current assets, since current assets are first appropriated in times of distress. Drawing power is required to be arrived at based on the stock statement which is current. However, considering the difficulties of large borrowers, stock statements relied upon by the Banks for determining drawing power should not be older than three months. The outstanding in the account based on drawing power calculated from stock statements older than three months, would be deemed as irregular.
A working capital borrowal account will become NPA if such irregular drawings are permitted in the account for a continuous period of 90 days even though the unit may be working or the borrower's financial position is satisfactory.

ii) Regular and ad hoc credit limits need to be reviewed/ regularised not later than three months from the due date/date of ad hoc sanction. In case of constraints such as non-availability of financial statements and other data from the borrowers, the branch should furnish evidence to show that renewal/ review of credit limits is already on and would be completed soon. In any case, delay beyond six months is not considered desirable as a general discipline. Hence, an account where the regular/ ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/ date of ad hoc sanction will be treated as NPA. Besides above, Bank also follows the guidelines issued by RBI in respect of classification of assets under a) Restructured accounts, b) Project under implementation involving time overrun, c) Post shipment Suppliers' Credit. d) Export Project Finance, e) Take over Finance, f) Govt. guaranteed Advance, g) Advance under Rehabilitation approved by BFIR / TLI, h) Advances under Debt Waiver & Debt Relief Scheme 2009, i) Sale of Financial Assets to Securitization Company /Reconstruction Company, j) Purchase/ Sale of Non-Performing Financial Assets, k) Up-gradation of accounts, l) Accounts regularized near about the Balance Sheet date etc.

B. CREDIT RISK MANAGEMENT AND OBJECTIVES:

The main objective of Credit Risk Management Department is to effectively identify, assess, measure, and manage the credit risk exposure of the Bank, with a view to contain it within desired limits in relation to the risk appetite of the Bank and commensurate with the availability of Capital. In doing so, the Bank's Credit Risk philosophy aims at minimizing risk and maintaining it within the levels which shall ensure safety of the Bank's financial resources, including stakeholders' equity and, at the same time, also ensure a steady and healthy financial growth.

STRATEGIC POLICY OF THE BANK - CREDIT RISK:

The Bank has a comprehensive and well defined Loan Policy which covers various aspects of strategic planning. The loan policy of the Bank is reviewed from time to time, depending on requirements of the changes in loan portfolio and general economic and market scenario. The loan policy is also subjected to a comprehensive review by the Board at least once a year. The loan policy of the Bank addresses, among other things:

- Exposure ceilings and caps in different industry segments and borrower categories.
- Pricing based on risk profile linked to credit ratings and/or retail segments.
- Guidelines relating to procedures and systems for appraisal, sanction, and monitoring of loans and modes of dispensation of credit.
- Credit Rating framework.
- Inspection mechanism and compliance of regulatory and policy guidelines.

CREDIT RISK MANAGEMENT ARCHITECTURE:

- The organizational structure of the Bank for Credit Risk Management function has the Board of Directors at the Apex level that has the overall oversight of management of risks.

- The Risk Management Committee (RMC) which is the sub-committee of the Board headed by the Non-Executive Chairman devises the policy and strategy for integrated risk management including credit risk.

- At the operational level, the Credit Risk Management Committee (CRMC) manages the credit risk. The main function includes implementation of credit risk management policies approved by the Board, monitoring credit risk on a Bank wide basis, recommending to the board for its approval all policies relating to credit risk management, large exposure framework limits on credit exposures, portfolio management, loan products etc. There is a structured and standardized credit approval process including a comprehensive credit appraisal procedure. In order to assess the credit risk associated with any financing proposal, the Bank assesses a variety of risks relating to the borrower and the relevant industry.

- The Risk Management Department (RMD) headed by the Deputy General Manager, measures, controls and manages credit risk on Bank wide basis within the limits set by the Board and enforces compliance with risk parameters set by the Board/RMC/CRMC. The RMD is duly supported by Credit Risk Management Cell, Market Risk Management Cell and Operations Risk Management Cell.

- The Inspection Department as well as Credit Monitoring Department headed by a General Manager / Deputy General Manager monitor the quality of loan portfolio \identifies problems and takes steps to correct deficiencies. Loan review / credit audit is undertaken by the Credit Audit function.

TOOLS USED FOR CREDIT RISK MANAGEMENT / MITIGATION

- Credit Approving Authority – Delegation of Powers. The Bank has a well-defined scheme of delegation of powers with a multi-tier risk based approving system, which is reviewed periodically and revised as and when necessary to meet the compulsions of business environment.
- Large Exposure Framework Limits on various aspects of credit / investment like Single / Group borrower limits for various types of borrowers are in place.
- Risk Rating/Pricing - The Bank has introduced rating models for various segments, which serve as a single point indicator of diverse risk factors of a counter party and support credit and pricing decisions.
- Credit Audit/Loan review mechanism is an effective tool for constantly evaluating the quality of loan book and to bring about qualitative improvements in credit administration
- Portfolio Management - to start with, the Bank has introduced a simple portfolio-monitoring framework. Going forward the Bank will be graduating to a more sophisticated Portfolio Management model.
- The Bank accepts a range of collaterals and techniques to mitigate the credit risks to which they are exposed to, provided the collaterals are legally enforceable and the Bank has a priority claim on the sale proceeds of the collaterised assets in the case of obligor's default or occurrence of adverse credit events.

RISK MEASUREMENT

At present Credit Risk is assessed through Risk rating at the individual level and through Risk Weighting of the assets at the portfolio level and capital is maintained based on Risk Weights.

Total gross credit risk exposures

	Category	Amt. in Lac
1	Fund Based Credit Exposures	6169209
2	Non Fund Based Credit Exposures	367808

Geographic distribution of exposures

	Category	Amt. in Lac
1	**Overseas**	
	- Fund Based Credit Exposures	NIL
	- Non Fund Based Credit Exposures	NIL
2	**Domestic**	
	- Fund Based Credit Exposures	6169209
	- Non Fund Based Credit Exposures	367808

INDUSTRY TYPE DISTRIBUTION OF EXPOSURES

(Amount in Lac)

INDUSTRY NAME	Funded	Non Fund	Total (Funded & Non funded)
A.MINING & QUARRYING	38949	13217	52166
B.FOOD PROCESSING	108345	8722	117067
C.BEVERAGES & TOBACCO	24649	287	24937
D.TEXTILES	140914	1188	142102
E.LEATHER & LEATHER PRODUCTS	14628	61	14689
F.WOOD & WOOD PRODUCTS	9886	1392	11278
G.PAPER & PAPER PRODUCTS	6197	122	6319
H.PETRO./COAL/NUCLEAR FUELS	5657	1520	7178
I.CHEMICALS & CHEMICAL PROD.	9493	718	10211
J.RUBBER, PLASTIC & ITS PROD.	13900	849	14749
K.GLASS & GLASSWARE	1988	20	2008
L.CEMENT AND CEMENT PROD.	3555	7194	10749
M.BASIC METAL & METAL PROD.	115505	5551	121056
N.ALL ENGINEERING	44043	6571	50614
O.VEHCLES/V.PARTS/TPT.EQPM.	9474	5222	14696
P.GEMS & JEWELLARY	3587	1	3588
Q.CONSTRUCTIONS	47271	34348	81619
R.INFRASTRUCTURE	1293161	146242	1439402
S.OTHER INDUSTRIES	16849	1127	17976
T. RESIDUARY	4261158	133456	4394613
TOTAL OF ABOVE INDUSTRIES:	**6169209**	**367808**	**6537017**

Significant exposure:

Industry where the Total Exposure is more than 5% of Total Fund based and Non-fund based exposure:

Amt. in Lac

S.No.	Industry	Exposure
1	Infrastructure	1439402

RESIDUAL CONTRACTUAL MATURITY BREAKDOWN OF ASSETS

Maturity Pattern of Assets and Liabilities as on 30.09.2020:

(Rupees in crore)

Maturity Pattern (Time Buckets)	Deposits	Loans & Advances	Investments	Borrowings	Foreign Currency	
					Liabilities	Assets
1 day	636.21	842.85	0.00	8.50	15.85	159.38
2 – 7 days	565.78	1017.07	127.75	125.20	0.66	13.59
8 – 14 days	1138.58	1163.18	0.00	0.00	1.76	11.16
15 - 30 days	781.87	1123.19	64.75	0.00	1.59	32.61
31 days to 2 months	2545.20	1852.53	205.45	0.00	8.17	63.14
Over 2 months & up to 3 months	2452.35	1951.11	22.59	0.00	17.83	92.81
Over 3 months & up to 6 months	11780.73	2257.39	100.25	8.50	31.11	99.54
Over 6 months & up to 1 year	25237.99	3911.05	1009.33	17.00	70.24	12.71
Over 1 year & up to 3 years	18616.23	13643.94	3265.35	41.75	77.04	16.30
Over 3 years & up to 5 years	10847.54	9447.40	3019.72	0.00	14.56	0.00
Over 5 years	9956.79	15794.40	16387.92	0.00	0.00	0.00
Total	84559.25	53004.10	24203.12	200.95	238.82	501.25

Amount of NPAs (Gross)

S.No	Category	Amt. in Lac
1	Substandard	118137
2	Doubtful 1	232328
3	Doubtful 2	201865
4	Doubtful 3	180026
5	Loss	135059

Net NPAs

Amt. in Lac

Net NPAs	330652

NPA Ratios

	Category	Percent
1	Gross NPAs to Gross advances	14.06%
2	Net NPAs to Net advances	5.87%

Movement of NPAs (Gross)

Amt. in Lac

Opening Balance	887457
Additions	11769
Reductions	31910
Closing Balance	867316

Movement of Provisions for NPAs

Amt. in Lac

SL.NO.	PROVISION	Provisions for NPAs
	OPENING BALANCE (A)	413880
ADD :	**Provision made during the Period :**	126536
Less :		
a)	Upgraded Accounts/ Write Off / Written Back of Excess Provision *	8956
	Sub-Total (B)	8956
	CLOSING BALANCE (C)	531460

Details of write offs & recoveries that have been booked directly to the Income statement

Amt. in Lac

Interest On Loans & Advances Technically Written Off Cases	398
Miscellaneous Income-Recovery In Technical Write Off A/Cs	3072
TOTAL	**3470**

Amount of Non-Performing Investments

Amt. in Lac

Amount of Non-Performing Investments	46868

Amount of provisions held for non-performing investments

Amt. in Lac

Provisions held for non-performing investments	41093

Movement of provisions for depreciation on investments

Amt. in Lac

Opening Balance	1102
Provisions made during the period	111
Write-off	0.00
Write-back of excess provisions	0.00
Closing Balance	1213

Major Industry Breakup of NPA

Amt. in Lac

Industry	Gross NPA	Provision for NPA
NPA in Top 5 Industries	294314	197509

Geography wise Distribution of NPA & Provision

Amt. in Lac

Industry	Gross NPA	Provision for NPA	Provision for Standard Advances
Domestic	867316	531460	34751
Overseas	0.00	0.00	0.00

Table DF 4 - CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH

Qualitative Disclosures

1. The Bank has approved using the general rating of the following credit rating agencies for risk weighting under the standardized approach for CRAR calculations CRISIL, ICRA, India Ratings, ACUITE, BRICKWORK, INFOMERICS and CARE for domestic claims and

S&P, FITCH and Moody's for claims on non-resident corporate, foreign Banks and foreign sovereigns.

The ratings of all these agencies are being used for all exposures subjected to rating for risk weighting purposes under the standardized approach for CRAR calculations under Basel-II & Basel III as defined by RBI.

2. The process used to transfer public issue ratings on to comparable assets in the Banking book is as per regulatory requirements of RBI. The public ratings published by the rating agencies on their website are used for this purpose. Only, ratings which are in force as per monthly bulletin of the concerned rating agency and which have been reviewed at least once during the previous 15 months are used.

3. For all the exposures on a particular counterparty, Bank uses the rating of only one agency, even though these exposures are rated by more than one with exception being where each of the exposures is rated by only one of the approved rating agencies.

4. To be eligible for risk-weighting purposes, it is ensured that the external credit assessment takes into account and reflects the entire amount of credit risk exposure the Bank has with regard to all payments owed to it i.e., both principal and interest. External assessments for one entity within a corporate group is not used to risk weight other entities within the same group.

5. For assets that have contractual maturity less than or equal to one year, short term ratings are used while for other assets, long term ratings are used. For Cash Credit exposures long term ratings are taken.

6. Where an issuer has a long-term exposure with an external long term rating that warrants a risk weight of 150%, all unrated claims on the same counterparty, whether short-term or long-term, also receive a 150% risk weight, except in cases where credit risk mitigation techniques are used for such claims. Similar is the case with short-term rating.

7. The Short-term ratings assigned by the approved rating agencies are directly mapped to the risk weights under the Standardised Approach for short-term exposures.

A mechanism for mapping of internal ratings of short term loans (up to 1 year) with Short Term ratings of External Credit Rating Agencies, on similar lines as risk weight mapping given by RBI, is already in vogue in our Bank.

Further, a revised mapping matrix of internal ratings of Long term loans with Long Term Ratings of External Credit Rating Agencies, has been approved by the Board.

8. If there are two ratings accorded by eligible credit rating agencies, which map into different risk weights, the higher risk weight is applied. If there are three or more ratings accorded by eligible credit rating agencies with different risk weights, the ratings corresponding to the two lowest risk weights are referred to and the higher of those two risk weights are applied, i.e., the second lowest risk weight.

9. The RW of the investment claim is based on specific rating by a chosen credit rating agency, where the claim is not an investment in a specific assessed issue:

i) the rating applicable to the specific debt (where the rating maps into a risk weight lower than that which applies to an unrated claim) is applied to the Bank's un-assessed claim only if this claim ranks *paripassu* or senior to the specific rated debt in all respects and the maturity of the un-assessed claim is not later than the maturity of the rated claim, except where the rated claim is a short term obligation.

ii) if either the issuer or single issue has been assigned a rating which maps into a risk weight equal to or higher than that which applies to unrated claims, an unrated claim on the same counterparty, is assigned the same risk weight as is applicable to the rated exposure, if this claim ranks *paripassu* or junior to the rated exposure in all respects.

Exposure amounts after risk mitigation subject to the standardized approach

(in Lac)

Risk Weight Category	Exposure After Credit Risk Mitigation
Below 100 % risk weight	**5097527**
100 % risk weight	**1375318**
More than 100 % risk weight	**451636**
Deducted	**1999129**
TOTAL	**4925352**

Table DF 5 - CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDISED APPROACHES

Qualitative Disclosures

1. Credit Risk Mitigation is a proactive management tool designed to enhance revenue growth, while protecting an entity's earnings from loss. Banks employ various methods and techniques to reduce the impact of the credit risks they are exposed to in their daily operations. Some of the credit risk mitigation techniques are permitted to be used by the supervisor for reducing the capital charge after adjustment for value, currency mismatch and maturity mismatch. Various Credit Risk Mitigants (CRM) recognized under the New Capital Adequacy Framework (Basel II) & Basel III are as follows:

- → Collateralised transactions
- → On-balance-sheet-netting
- → Guarantees

2. Eligible financial collateral:

All collaterals are not recognised as credit risk mitigants under the Standardised Approach. The following are the financial collaterals recognized:

i. Cash and Certain Deposits.

ii. Gold: benchmarked to 99.99% purity.
iii. Securities issued by Central and State Governments
iv. Kisan Vikas Patra and National Savings Certificates
v. Life insurance policies
vi. Debt securities -Rated subject to conditions.
vii. Debt securities not rated issued by banks subject to conditions
viii. Units of mutual funds subject to conditions
ix. Re-securitisations, irrespective of any credit ratings, are not eligible financial collateral.

There are certain additional standards for availing capital relief for collateralized transactions, which have direct bearing on the management of collaterals, and these aspects are taken into account during Collateral Management.

3. On-balance-sheet-netting

On-balance sheet netting is confined to loans/advances (treated as exposure) and deposits (treated as collateral), where Bank has legally enforceable netting arrangements, involving specific lien with proof of documentation and which are managed on a net basis.

4. Guarantees Where guarantees are direct, explicit, irrevocable and unconditional, bank takes account of such credit protection in calculating capital requirements. The range of eligible guarantors / counter guarantors as per Basel III includes:

i. Sovereigns, sovereign entities (including BIS, IMF, European Central Bank and European Community as well as those MDBs, ECGC and CGTSI, CRGFTLIH), banks and primary dealers with a lower risk weight than the counterparty;
ii. Other entities that are externally rated except when credit protection is provided to a securitisation exposure. This would include credit protection provided by parent, subsidiary and affiliate companies when they have a lower risk weight than the obligor.

iii. When credit protection is provided to a securitisation exposure, other entities that currently are externally rated BBB- or better and that were externally rated A- or better at the time the credit protection was provided. This would include credit protection provided by parent, subsidiary and affiliate companies when they have a lower risk weight than the obligor.

The Bank accepts all types of collaterals against exposures. However, for Basel-III norms, the eligible collaterals are considered and given appropriate treatment before they are set-off against exposures. The bank has a well laid-out Credit Risk Mitigation & Collateral management Policy and also guidelines for valuation of collaterals. The Bank also takes cognizance of eligible guarantees and substitution of rating of guarantor(s) in cases where these are better than that of the counter-party. Besides, for purposes of credit protection, Central Govt., State Govt., ECGC and CGFT coverage is also taken into account to apply appropriate risk weights.

Disclosed credit risk portfolio under the standardised approach, the total exposure that is covered by: Eligible financial collateral; after the application of haircuts – **Rs. 195482 lac**

Table DF 6 -SECURITISATION: DISCLOSURE FOR STANDARDISED APPROACH

1. For Raising Resources

1.1 To raise resources for the Bank (through mortgage/ asset backed securitization) at a reasonable cost.

1.2 For better asset liability management as long tenure assets can be disposed off, in case of need, to reduce the maturity mismatches.

1.3 To manage the capital funds efficiently without effecting the growth of the Bank.

1.4 To rotate assets and to continue to book business even while capital availability is scarce.

1.5 To access to new source of funding and diversify the existing funding sources.

1.6 To maximize the returns by churning assets fast.

1.7 For better managing the credit portfolio. By hiring of assets in sectors of high

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concentration, the Bank would be in a position to continue to book additional business in these sectors and hence maintain market share, client relationship etc.

2. For Deploying Surplus Funds: Avenue for bulk deployment of surplus funds either by subscribing to the PTCs or by purchase of assets through bilateral assignment of debts with reasonable rate of return.

However, Bank has sold following IBPC as on 30.09.2020.

(in Rs. Lac)

Bank	Loan Category	Amount
Bank of Maharashtra	Retail & Corporate	92592
HDFC	Retail & Corporate	60000
Canara Bank	Corporate	219620
Total		372212

Exposure (balance outstanding) under Assignment of Standard Pool Assets - **Rs 12060 Lac**

Table DF 7 - MARKET RISK IN TRADING BOOK

Qualitative disclosures

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 Standardized 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

Quantitative Disclosures

The capital requirements for:	Amt. in Lac
Interest rate risk;	51252
Equity position risk;	5183
Foreign exchange risk;	NIL

Table DF 8 - OPERATIONAL RISK

Qualitative disclosures

The Bank has formulated Policies on "Operational Risk Management" and "Business Continuity Plan & Disaster Recovery Management". These policies are being reviewed by the Board of the Bank on annual basis. Bank is collecting "Loss Data" from Zonal Offices/Head Offices and the same is being placed before ORMC for review on quarterly Basis. The Bank has loss data management framework to comply with overall operational risk management of the Bank.

Bank is conducting Risk and Control Self-Assessment (RCSA) workshop to assess the risk emanating from a particular product or activity as per RCSA framework approved by the Board. The result of RCSA workshop is being placed before ORMC for review. Further Bank is monitoring identified Key Risk Indicators (KRI) on quarterly basis to identify the early warning signals and hence trying to proactively manage/ mitigate the underlying issues and potential losses which is one of the objectives of KRI framework.

As per the policy on Operational Risk, the Operational Risk Management Committee (ORMC) has been set up which is headed by the Executive Director. Regular meetings of the ORMC are convened at least on quarterly basis. Inspection Department of the bank undertakes onsite "Risk Based Internal Audit" (RBIA) of the branches.

Inspection, Reconciliation and Vigilance Departments are reporting matters relating to Housekeeping, Reconciliation and Frauds etc. periodically to ACB. Regulatory reporting with regard to Operational Risk and Business Continuity Plan is made timely & regularly. Bank is presently following 'Basic Indicator Approach" for calculating Capital Charge on Operational Risk. However, the bank is preparing to move to advance approaches of calculating capital charge for Operational Risk.

Table DF 9 -INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

Qualitative disclosures

The Interest rate risk in banking book is measured and managed by the bank through Traditional Gap for Earnings at Risk (Ear) approach and modified Duration Gap for Economic Value (MVE) Approach. Interest rate risk in banking book includes all advances and investments kept under Held to Maturity (HTM) portfolio. The strategies and process/structure of organization / scope and nature of risk reporting/policies etc. are the same as reported under DF – 7. The methodology adopted to measure the interest rate risk in banking book (IRRBB) is based on RBI suggested guidelines.

1.1 RBI has stipulated monitoring of interest rate risk through a Statement of Interest Rate Sensitivity (Reprising Gaps) to be prepared at monthly intervals. Accordingly, ALCO reviews Interest Rate Sensitivity statement on monthly basis and monitors the Earnings at Risk (EaR) which measures the change in net interest income of the Bank due to parallel change in interest rate on both the assets and liabilities.

1.2 RBI has also stipulated to estimate the impact of change in interest rates on economic value of bank's assets and liabilities through Interest Rate Sensitivity under Duration Gap Analysis (IRSD). Bank also carries out Duration Gap analysis as stipulated by RBI at monthly/quarterly intervals. The impact of interest rate changes on the Market Value of Equity (MVE) is monitored through Duration Gap Analysis. Using the above, Modified Duration of liabilities and assets for each bucket is calculated and the impact on their value for a change in interest rate by 200 bps is reckoned by adding up the net position is arrived to determine as to whether there will be a positive increase in the value or otherwise.

1.3 As a prudential measure limit has been fixed for EaR as well as for Net Duration Gap of the assets and liabilities and the same is monitored at regular intervals.

Quantitative Disclosures

a) Earning at Risk

Amt. in Lac

At 100 bps change for gaps upto 1 year on average basis	4671

b) Modified Duration Gap for Economic Value (MVE) 4.49%

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

Qualitative Disclosures

Counter Party Credit Risk (CCR) is the risk of default by the Counterparty towards settlement of transaction before or at the maturity. Counter party credit limits (Inter Bank limits) are set up and monitored through ALM Policy. All the Derivative Transactions with the Counterparty are to be evaluated through Board approved Derivative Policy of the Bank. However, Bank is not having any Derivative Transactions at present.

Bank does not have any policy related to Wrong Way Risk exposure.

Bank is yet to enter into any Credit Support Annex (CSA) Agreement with its Counterparties and such impact is currently not quantifiable.

Quantitative Disclosures

Bank does not recognize bilateral netting. For reporting purpose total exposure

Amt. in Lac

Particulars	Notional Amount	Current Exposure
Foreign Exchange Contracts	197479	4319

Bank under derivatives only deals in merchant forward contracts and as on closing of Sep, 2020 the value of outstanding Forward contracts is Rs 33168 lacs.Bank has not entered into any other derivative exposure/transactions(Forward Rate Agreement/Interest rate Swap/Exchange Traded Interest Rate Derivatives) during quarter ended 30.09.2020

Table DF 11 – Composition of Capital

Amt. in Lac

S.No.	Basel III common disclosure template to be used from March 31, 2017		Ref No.
	Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	338826	
2	Retained earnings	-127283	
3	Accumulated other comprehensive income (and other reserves)	242359	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies1) Public sector capital injections grandfathered until 1/1/2018	n.a.	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	n.a.	
6	**Common Equity Tier 1 capital before regulatory adjustments**	453902	
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments	0	
8	Goodwill (net of related tax liability)	0	
9	Intangibles (net of related tax liability)	345	
10	Deferred tax assets (associated with accumulated losses (net of eligible DTL) to be deducted in full from CET1)	2987	
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	1988	
18	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	

	Basel III common disclosure template to be used from March 31, 2017		Ref No.
	where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
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)	Not Relevant	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	156853	Amount upto 10% has been Risk Weighted
22	Amount exceeding the 15% threshold	n.a.	
23	of which: significant investments in the common stock of financials	n.a.	
24	of which: mortgage servicing rights	n.a.	
25	of which: deferred tax assets arising from temporary differences	0.00	
26	National specific regulatory adjustments (26a+26b+26c)	n.a.	
26a	Investments in the equity capital of unconsolidated insurance subsidiaries8	n.a.	
26b	Investments in the equity capital of unconsolidated nonfinancial subsidiaries8	n.a.	
26c	Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank9	n.a.	
26d	Unamortised pension funds expenditures		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		
28	Total regulatory adjustments to Common equity Tier 1	162172	
29	**Common Equity Tier 1 capital (CET1)**	291730	
	Additional Tier 1 capital: instruments		

	Basel III common disclosure template to be used from March 31, 2017		Ref No.
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	0.00	
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	0.00	
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	0.00	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	100000	
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**	100000	
	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	0.00	
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 positions10)	0.00	
41	National specific regulatory adjustments	0.00	
41a	Of which : Investment in the Additional Tier I capital of unconsolidated insurance subsidiaries.	0.00	
41b	Of which : Shortfall in the Additional Tier I capital of majority owned financial entities which have not been consolidated with the bank..		

	Basel III common disclosure template to be used from March 31, 2017		Ref No.
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	0.00	
44	Additional Tier 1 capital (AT1)	100000.00	
45	Tier 1 capital (T1 = CET1 + AT1) (row 29 + row 44)	391730	
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0.00	
47	Directly issued capital instruments subject to phase out from Tier 2	124930	Subordinate Debt
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)	n.a.	
49	of which: instruments issued by subsidiaries subject to phase out	n.a.	
50	Provisions	25139	
51	Tier 2 capital before regulatory adjustments	150069	
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	0.00	
53	Reciprocal cross-holdings in Tier 2 instruments	0.00	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	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)	0.00	
56a	Of which : Investment in the Tier II capital of unconsolidated insurance subsidiaries.		
56b	Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	0.00	

	Basel III common disclosure template to be used from March 31, 2017		Ref No.
57	**Total regulatory adjustments to Tier 2 capital**	0.00	
58	**Tier 2 capital (T2)**	150069	
59	**Total capital (TC = T1 + T2) (row 45+row 58)**	541799	
60	**Total risk weighted assets (row 60a +row 60b +row 60c)**	4874720	
60a	of which: total credit risk weighted assets	3870578	
60b	of which: total market risk weighted assets	520565	
60c	of which: total operational risk weighted assets	483577	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	5.98%	
62	Tier 1 (as a percentage of risk weighted assets)	8.03%	
63	Total capital (as a percentage of risk weighted assets)	11.11%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	7.375%	
65	of which: capital conservation buffer requirement	1.875%	
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)	0.48%	
	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	8753	
73	Significant investments in the common stock of financials	0.00	

	Basel III common disclosure template to be used from March 31, 2017		Ref No.
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)	25139	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	48382	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	n.a.	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	n.a.	
	Capital instruments subject to phase-out arrangements (only applicable between April 1, 2018 and March 31, 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	Not applicable in India	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Table DF 12 –Composition of Capital- Reconciliation Requirements-

Not applicable as the Bank's Balance sheet as in Financial Statement is same as Balance sheet under regulatory scope of consolidation

Tabe DF 13 – Main features of Regulatory Capital Instruments

Sr. No	Disclosure template for main features of regulatory capital instruments	SERIES- XIII =300 crore	SERIES- XIV =500 crore	PSB AT-1 BONDS:SERIES 1	SERIES- XV =237.30 crore	SERIES- XVI =500 crore
1	Issuer	Punjab & Sind Bank	Punjab & Sind Bank	Punjab & Sind Bank	Punjab & Sind Bank	Punjab & Sind Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE608A09130	INE608A08017	INE608A08025	INE608A08033	INE608A08041
3	Governing law(s) of the instrument	Secuities Contract Regulation Act 1956, Companies Act 1956, Banking companies(acquisition and transfer of undertakings) act 1980, Depositories Act 1996, GOI, RBI, SEBI, Concerned Stock Exchanges.provisions contained in annexure C and/or annexure D to the companies (Central Government's) General rules and forms 1956.	SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2008/13/127878 DATED JUNE 06, 2008, AS AMENDED AND SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2012 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2012-13/19/5392 DATED OCTOBER 12, 2012, AS AMENDED AND SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2014 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2013-14/43/207 DATED JANUARY 31, 2014, AS AMENDED	SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2008/13/127878 DATED JUNE 06, 2008, AS AMENDED BY SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2012 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2012-13/19/5392 DATED OCTOBER 12, 2012 AND CIR/IMD/DF/18/2013 DATED OCTOBER 29, 2013) AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2014 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2013-14/43/207 DATED JANUARY 31, 2014 AS AMENDED SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2015 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2014-15/25/539 DATED MARCH 24, 2015 AND RBI CIRCULAR NO.RBI/2015-16/58 DBR.No.BP.BC.1/21.06.201/2015-	SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2008/13/127878 DATED JUNE 06, 2008, AS AMENDED AND SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2012 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2012-13/19/5392 DATED OCTOBER 12, 2012, AS AMENDED AND SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2014 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2013-14/43/207 DATED JANUARY 31, 2014, AS AMENDED	SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2008/13/127878 DATED JUNE 06, 2008, AS AMENDED AND SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2012 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2012-13/19/5392 DATED OCTOBER 12, 2012, AS AMENDED AND SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2014 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2013-14/43/207 DATED JANUARY 31, 2014, AS AMENDED

Sr. No	Disclosure template for main features of regulatory capital instruments	SERIES- XIII =300 crore	SERIES- XIV =500 crore	PSB AT-1 BONDS:SERIES 1	SERIES- XV =237.30 crore	SERIES- XVI =500 crore
				16 DATED 01.07.2015, NOTIFICATION NO. RBI/2015-16/285 DBR.NO.BP.BC.71/21.06.201/2015-16 DATED 14.01.2016, RBI/2015-16/331 DBR.NO.BP.BC.83/21.06.201/2015-16 DATED 01.03.2016 AND NOTIFICATION NO. DBR.BP.BC.NO.50/21.06.201/2016-17 DATED 02.02.2017.		
	Regulatory treatment					
4	Transitional Basel III rules	Tier II	Tier II	Tier I	Tier II	Tier II
5	Post-transitional Basel III rules	Tier II	Tier II	Tier I	Tier II	Tier II
6	Eligible at solo/group/ group & solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type	Tier II debt instruments	Tier II debt instruments	Tier I instrument	Tier II debt instruments	Tier II debt instruments
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	12	500	1000	237.3	500
9	Par value of instrument	Rs. 1000000	Rs. 1000000	Rs. 1000000	Rs. 1000000	Rs. 1000000
10	Accounting classification	Liability (Borrowing)	Liability (Borrowing)	Liability (Borrowing)	Liability (Borrowing)	Liability (Borrowing)
11	Original date of issuance	24.06.2011	19.10.2016	08.05.2017	27.06.2019	04.11.2019
12	Perpetual or dated	Dated	Dated	Perpetual	Dated	Dated
13	Original maturity date	24.10.2021	19.10.2026	NA	26.10.2029	03.12.2029
14	Issuer call subject to prior supervisory approval	Yes	No	Yes - The call option on the instrument is permissible after the instrument has run for at least five years subject to prior RBI approval.The call option on the	No	No

Sr. No	Disclosure template for main features of regulatory capital instruments	SERIES- XIII =300 crore	SERIES- XIV =500 crore	PSB AT-1 BONDS:SERIES 1	SERIES- XV =237.30 crore	SERIES- XVI =500 crore
				instrument is permissible after the instrument has run for at least five years		
15	Optional call date, contingent call dates and redemption amount	NA	NA	The call option on the instrument is permissible after the instrument has run for at least five years	NA	NA
16	Subsequent call dates, if applicable	NA	NA	Every coupon date thereafter	NA	NA
	Coupons/ dividends					
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	9.73%	7.99%	10.90%	9.50%	8.67%
19	Existence of a dividend stopper	No	No	Yes	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Fully Discretionary	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA

Sr. No	Disclosure template for main features of regulatory capital instruments	SERIES- XIII =300 crore	SERIES- XIV =500 crore	PSB AT-1 BONDS:SERIES 1	SERIES- XV =237.30 crore	SERIES- XVI =500 crore
30	Write-down feature	NO	Write-off feature is applicable	Write-off feature is applicable	Write-off feature is applicable	Write-off feature is applicable
31	If write-down, write-down trigger(s)	NA	PONV Trigger as per RBI Guidelines	The Bonds issued before March 31,2019 i.e. before the full implementation of Basel III shall have two prespecified triggers. A lower pre-specified trigger at CET1 of 5.5% of RWAs shall apply and remain effective before April 01, 2021. From this date the trigger shall be raised to CET1 OF 6.125% of RWAs for all such Bonds.	PONV Trigger as per RBI Guidelines	PONV Trigger as per RBI Guidelines
32	If write-down, full or partial	NA	full or partial	full or partial	full or partial	full or partial
33	If write-down, permanent or temporary	NA	Permanent	The write down mechanism may be Temporary or Permanent at Bank's Discretion.	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	NA	NA	A temporary writedown is different from a conversion and a permanent writedowni.e.the original instrument may not be fully extinguished.Generally, the par value of the instrument is written-down (decrease) on the occurrence of the trigger event and which may be written-up (increase) back to its original value in future in conformity with the provisions of the RBI Basel III Guidelines. The amount shown on the balance sheet subsequent to temporary write-down may depend on the precise features of the Bonds and the prevailing accounting standards.	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	UNSECURED LIABILITIES (depositors & general creditors))	Subbordinate to claims of all depositors and general creditors of the bank	Subordinated to the claims of (a) all depositors,(b) general creditors (c) subordinated debt of the bank other than subordinated debt qualifying as Additional Tier 1 Capital (as the term is defined in the Basel III Guidelines) ;(d) Debt Capital Instruments eligible for inclusion in Tier 2 capital issued and to be issued in future by the	Subbordinate to claims of all depositors and general creditors of the bank	Subbordinate to claims of all depositors and general creditors of the bank

H.O. Risk Management Deptt.

Sr. No	Disclosure template for main features of regulatory capital instruments	SERIES- XIII =300 crore	SERIES- XIV =500 crore	PSB AT-1 BONDS:SERIES 1	SERIES- XV =237.30 crore	SERIES- XVI =500 crore
				Bank; (e) perpetual cumulative preference shares;(f) redeemable non-cumulative preference shares; (g)redeemable cumulative preference shares eligible for inclusion in Tier 2 capital issued and to be issued infuture by the Bank		
36	Non-compliant transitioned features	YES	NA	NO	NA	NA
37	If yes, specify non-compliant features	Point of non-viability.	NA	NA	NA	NA

LEVERAGE RATIO

The leverage ratio has been calculated using the definitions of capital and total exposure. The Bank's leverage ratio, calculated in accordance with the RBI guidelines is as follows:

Rs in Lac

PARTICULARS	AS ON 31.03.2020	AS ON 30.06.2020	AS ON 30.09.2020
Tier 1 Capital	480591	463632	391730
Exposure Measure	10660431	10192970	9928510
Leverage Ratio	4.51%	4.55%	4.01%

Table DF 14 –Full Terms & Conditions of Regulatory Capital Instruments

1. BOND ISSUE – XIII Rs. 300 CRORE

SUMMARY TERM SHEET

Issuer	Punjab & Sind Bank
Issue Size	Rs. 300 crore
Issue Objects	Augmenting Tier-II Capital for strengthening the Capital Adequacy and enhancing long term resources of the Bank
Instrument	Unsecured Redeemable Non-Convertible Subordinated Lower Tier-II Bonds (Series-XIII) in the nature of Promissory Notes ("Bonds")
Nature of Instrument	These Bonds shall be fully paid-up, unsecured, subordinated to the claims of other creditors, free of restrictive clauses and shall not be redeemable at the initiative of the holder or without the consent of the RBI
Issuance/ Trading	In Dematerialized Form
Credit Rating	"AA\Stable" by ICRA and "CARE AA\Stable" by CARE
Security	Unsecured
Face Value	Rs. 10,00,000/- per Bond
Issue Price	At par (Rs. 10,00,000/- per Bond)
Redemption Price	At par (Rs. 10,00,000/- per Bond)
Minimum Subscription	1 Bond and in multiples of 1 Bond thereafter
Tenure	124 Months
Put Option	None
Call Option	At the end of 6th Year (Subject to Approval from RBI)
Redemption/ Maturity	At par at the end of 124 Months from the Deemed Date of Allotment (subject to prior approval from RBI)
Redemption Date	24th October 2021 (subject to prior approval from RBI)
Coupon Rate *	9.73% p.a.
Interest Payment	Annual
Interest Payment Date	On May 15, every year and on final maturity
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Ltd. (NSE)
Trustee	IDBI Trusteeship Services Ltd.

Depository	National Securities Depository Ltd. and Central Depository Services (India) Ltd.
Registrars	M/S Link Intime india Private Ltd.
Interest on Application Money *	At the coupon rate (i.e. @ 9.73% p.a) from the date of realization of cheque(s)/ demand draft(s)/ RTGS up to but excluding the Deemed Date of Allotment
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through RTGS/ ECS system
Mode of Subscription	By way of electronic transfer of funds through RTGS mechanism for credit in the account of **"Punjab & Sind Bank RTGS Account"** IFSC Code: **"PSIB0000001"** for New Delhi
Issue Opens on ^	20th June 2011
Issue Closes on ^	24th June 2011
Pay-In Date ^	20th June 2011 to 24th June 2011
Deemed Date of Allotment ^	24th June 2011

* Subject to deduction of tax at source, as applicable.

^ The Bank reserves its sole and absolute right to modify (pre-pone/ postpone) the issue opening/ closing/ pay-in date(s) without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised time schedule by the Bank. The Bank also reserves the right to keep multiple Deemed Date(s) of Allotment at its sole and absolute discretion without any notice.

2. BOND ISSUE – XIV Rs 500 Crore

SUMMARY TERM SHEET

Issuer	Punjab & Sind Bank
Issue Size	Rs 500 Crore
Issue Objects	Augmenting overall capital of the Bank for strengthening its capital adequacy as per Basel III, for future growth and for enhancing long-term resources.
Instrument	Listed, Rated, Unsecured, Redeemable, Non-Convertible Fully Paid Up Basel III Compliant Tier 2 Bonds (Series XIV) in the nature of Debentures for inclusion in Tier 2 Capital ("Bonds")
Nature of Instrument	These Bonds shall be fully paid up, Unsecured. The claims of the Bondholders shall be: (a) senior to the claims of investors in instruments eligible for inclusion in Tier 1 capital of the Bank; (b) subordinate to the claims of all depositors and general creditors of the Bank; and (c) is neither secured nor covered by a guarantee of the Bank or related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis Bank creditors.
Issuance/ Trading	In demat mode only
Credit Rating	"CRISIL AA\Stable" by CRISIL and "CARE AA\Stable" by CARE.
Security	Unsecured and Subordinated
Face Value	Rs 10,00,000/- per Bond
Issue Price	At par (Rs 10,00,000/- per Bond)
Redemption Price	At par (Rs 10,00,000/- per Bond)
Minimum Subscription	1 (one) Bond and in multiples of 1 (one) Bond thereafter
Tenure	10 years from the Deemed Date of Allotment
Put Option	None
Call Option	None
Redemption/ Maturity	At the end of 10 years from the Deemed Date of Allotment
Redemption Date	October 19, 2026
Coupon Rate	7.99% p.a.
Interest Payment	Annual
Interest Payment Date	Annually on October 19, of each year till maturity of Bonds
Trustee	Axis Trustee Services Limited
Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")

Registrar	Link Intime India Private Limited
Interest on Application Money	In respect of applicants who get allotment of Bonds in the Issue, interest on application money shall be paid at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) on the aggregate face value amount of Bonds for the period starting from and including the date of realization of application money in Issuer's account upto but excluding the Deemed Date of Allotment. Such interest on application money shall be paid by the Issuer to the allottees within 15 (fifteen) days from the Deemed Date of Allotment.
Settlement	Payment of interest and repayment of principal amount shall be made by the Bank by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism or any other online facility allowed by the RBI
Mode of Subscription	Remittances either through cheque(s)/ demand draft(s) drawn in favour of "Punjab & Sind Bank A/c" and crossed "Account Payee Only" payable at par at place/ centre where the application form is deposited or by way of electronic transfer of funds through funds transfer/ RTGS mechanism for credit in the account of Punjab & Sind Bank IFSC Code PSIB0000606, Rajendra place New Delhi.
Issue Opens on	05.10.2016
Issue Closes on	05.10.2016
Pay in Date	19.10.2016
Deemed Date of Allotment	19.10.2016

3. PSB AT-1 BONDS SERIES I- Rs 1000 Crore

SUMMARY TERM SHEET

Issuer	Punjab & Sind Bank
Issue Size	Rs 1000 Crore
Issue Objects	Augmenting overall capital of the Bank for strengthening its capital adequacy as per Basel III, for future growth and for enhancing long-term resources.
Instrument	Unsecured, subordinated, non-convertible, perpetual taxable bonds which will qualify as Additional Tier 1 Capital (as the term is defined in the Basel III Guidelines of the Reserve Bank of India) in the nature of Debentures (the "Bonds")
Nature of Instrument	The Bonds are neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim of the holders of the Bonds (the "Bondholders") vis- àvis other creditors of the Issuer. The claims of the Bondholders shall be : (i) superior to the claims of investors in equity shares and perpetual noncumulative preference shares of the Bank, if any; (ii) subordinated to the claims of depositors, general creditors and subordinated debt of the bank other than any subordinated debt qualifying as Additional Tier 1 Capital (as the term is defined in the Basel III Guidelines); (iii) neither secured nor covered by a guarantee of the issuer nor related entity or any other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors. (iv) rank pari passu without preference amongst; (v) unless the terms of any subsequent issuance of bonds/debentures (in the nature of AT1 instruments) by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the bond issued under this Disclosure Document or unless the RBI specifies otherwise in its guidelines, the claims of the Bond holders shall be pari passu with claims of holders of such subsequent debentures/bond issuances of the Bank;
Issuance/ Trading	In demat mode only
Credit Rating	"ICRA A\Stable" by ICRA and "CARE A\Stable" by CARE.
Security	Unsecured
Face Value	Rs 10,00,000/- per Bond
Issue Price	At par (Rs 10,00,000/- per Bond)
Redemption Price	At par (Rs 10,00,000/- per Bond)

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Minimum Subscription	10 (Ten) Bond and in multiples of 1 (one) Bond thereafter
Tenure	Perpetual
Put Option	None
Call Option	The call option on the instrument is permissible after the instrument has run for at least five years
Redemption/ Maturity	At PAR
Redemption Date	Perpetual
Coupon Rate	10.90% p.a.
Interest Payment	Annual
Interest Payment Date	Annual on May 08, of each year
Trustee	Vistra ITCL (India) Limited
Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")
Registrar	Link Intime India Private Limited
Interest on Application Money	Interest at the Coupon Rate (subject to deduction of Income-tax under the provisions of the Income-tax Act 1961, or any statutory modification or reenactment as applicable) will be paid to all the applicants on the application money for the Bonds. Such interest shall be paid from the date of realization of cheque (s)/demand draft (s) and in case of RTGS/other means of electronic transfer interest shall be paid from the date of receipt of funds to one day prior to the Deemed Date of Allotment. The Interest on application money will be computed as per Actual/Actual Day count convention. Such interest would be paid on all the valid applications including the refunds. For the application amount that has been refunded, the Interest on application money will be paid along with the refund orders and for the application amount against which Bonds have been allotted, the Interest on application money will be paid within ten working days from the Deemed Date of Allotment. Where an applicant is allotted lesser number of Bonds than applied for, the excess amount paid on application will be refunded to the applicant along with the interest on refunded money. Income Tax at Source (TDS) will be deducted at the applicable rate on Interest on application money.
Settlement	Payment of interest and repayment of principal amount shall be made by the Bank by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/credit through direct credit/ NECS/

	RTGS/ NEFT mechanism or any other online facility allowed by the RBI
Mode of Subscription	Remittances either through cheque(s)/ demand draft(s) drawn in favour of "Punjab & Sind Bank A/c" and crossed "Account Payee Only" payable at par at place/ centre where the application form is deposited or by way of electronic transfer of funds through funds transfer/ RTGS mechanism for credit in the account of Punjab & Sind Bank IFSC Code PSIB0000606, Rajendra place New Delhi
Issue Opens on	02.05.2017
Issue Closes on	02.05.2017
Pay in Date	08.05.2017
Deemed Date of Allotment	08.05.2017

4. BOND ISSUE – XV Rs 237.30 Crore

SUMMARY TERM SHEET

Issuer	Punjab & Sind Bank
Issue Size	Rs 237.30 Crore
Issue Objects	Augmenting overall capital of the Bank for strengthening its capital adequacy as per Basel III, for future growth and for enhancing long-term resources.
Instrument	Listed, Rated, Unsecured, Redeemable, Non-Convertible Fully Paid Up Basel III Compliant Tier 2 Bonds (Series XV) in the nature of Debentures for inclusion in Tier 2 Capital ("Bonds")
Nature of Instrument	These Bonds shall be fully paid up, Unsecured. The claims of the Bondholders shall be: (a) senior to the claims of investors in instruments eligible for inclusion in Tier 1 capital of the Bank; (b) subordinate to the claims of all depositors and general creditors of the Bank; and (c) is neither secured nor covered by a guarantee of the Bank or related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis Bank creditors.
Issuance/ Trading	In demat mode only
Credit Rating	"Brickwork AA\Stable" by Brickwork and "CARE AA\Stable" by CARE.
Security	Unsecured and Subordinated
Face Value	Rs 10,00,000/- per Bond
Issue Price	At par (Rs 10,00,000/- per Bond)
Redemption Price	At par (Rs 10,00,000/- per Bond)
Minimum Subscription	1 (one) Bond and in multiples of 1 (one) Bond thereafter
Tenure	10 years 4 months from the Deemed Date of Allotment
Put Option	None
Call Option	None
Redemption/ Maturity	At the end of 10 years 4 months from the Deemed Date of Allotment
Redemption Date	October 26, 2029
Coupon Rate	9.50% p.a.
Interest Payment	Annual
Interest Payment Date	Annually on October 19, of each year till maturity of Bonds
Trustee	Vistra ITCL (India) Limited

Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")
Registrar	Link Intime India Private Limited
Interest on Application Money	In respect of applicants who get allotment of Bonds in the Issue, interest on application money shall be paid at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) on the aggregate face value amount of Bonds for the period starting from and including the date of realization of application money in Issuer's account upto but excluding the Deemed Date of Allotment. Such interest on application money shall be paid by the Issuer to the allottees within 15 (fifteen) days from the Deemed Date of Allotment.
Settlement	Payment of interest and repayment of principal amount shall be made through RTGS/ NEFT mechanism or any other online facility allowed by the RBI
Issue Opens on	25.06.2019
Issue Closes on	25.06.20219
Pay in Date	27.06.2019
Deemed Date of Allotment	27.06.2019

5. BOND ISSUE – XVI Rs 500 Crore

SUMMARY TERM SHEET

Issuer	Punjab & Sind Bank
Issue Size	Rs 500 Crore
Issue Objects	Augmenting overall capital of the Bank for strengthening its capital adequacy as per Basel III, for future growth and for enhancing long-term resources.
Instrument	Listed, Rated, Unsecured, Redeemable, Non-Convertible Fully Paid Up Basel III Compliant Tier 2 Bonds (Series XVI) in the nature of Debentures for inclusion in Tier 2 Capital ("Bonds")
Nature of Instrument	These Bonds shall be fully paid up, Unsecured. The claims of the Bondholders shall be: (a) senior to the claims of investors in instruments eligible for inclusion in Tier 1 capital of the Bank; (b) subordinate to the claims of all depositors and general creditors of the Bank; and (c) is neither secured nor covered by a guarantee of the Bank or related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis Bank creditors.
Issuance/ Trading	In demat mode only
Credit Rating	"CRISIL AA\Stable" by CRISIL and "CARE AA\Stable" by CARE.
Security	Unsecured and Subordinated
Face Value	Rs 10,00,000/- per Bond
Issue Price	At par (Rs 10,00,000/- per Bond)
Redemption Price	At par (Rs 10,00,000/- per Bond)
Minimum Subscription	1 (one) Bond and in multiples of 1 (one) Bond thereafter
Tenure	10 years 1 months from the Deemed Date of Allotment
Put Option	None
Call Option	None
Redemption/ Maturity	At the end of 10 years 1 months from the Deemed Date of Allotment
Redemption Date	December 03, 2029
Coupon Rate	8.67% p.a.
Interest Payment	Annual
Interest Payment Date	Annually on May 08, of each year till maturity of Bonds
Trustee	IDBI Trusteeship Services Limited
Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")

Registrar	Link Intime India Private Limited
Interest on Application Money	In respect of applicants who get allotment of Bonds in the Issue, interest on application money shall be paid at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) on the aggregate face value amount of Bonds for the period starting from and including the date of realization of application money in Issuer's account upto but excluding the Deemed Date of Allotment. Such interest on application money shall be paid by the Issuer to the allottees within 15 (fifteen) days from the Deemed Date of Allotment.
Settlement	Payment of interest and repayment of principal amount shall be made through RTGS/ NEFT mechanism or any other online facility allowed by the RBI
Issue Opens on	31.10.2019
Issue Closes on	31.10.2019
Pay in Date	04.11.2019
Deemed Date of Allotment	04.11.2019

Table DF 15 –Disclosure Requirements for Remuneration-

Not applicable to PSU Banks

Table DF-16: Equities – Disclosure for Banking Book Positions

Qualitative Disclosures

• Differentiation between holdings on which capital gains are expected and those taken under objectives including for relationship and strategic reasons.	Equity investment in the banking book is in RRB, held for strategic purpose. Bank does not hold any equity investment in banking book with intention to make capital gain.
• Discussion of important policies covering the valuation and accounting of equity holdings in the Banking Book. This includes the accounting techniques and valuation methodologies used including key assumptions and practices affecting valuation as well as significant changes in these practices.	Investment which is intended to be held till maturity are classified as HTM securities. Investments classified under HTM category are not marked to market and carried at acquisition cost. Any diminution, other than temporary, in the value of investments is provided for. Any Loss on sale of investments in HTM category is recognized in the statement of profit and loss. Any gain from sale of investments in HTM category is recognized in the statement of profit and loss and is appropriated, net of taxes and statutory reserves, to "Capital Reserves" in accordance with RBI guidelines.

Amount in Lacs

Quantitative Disclosures		
1	Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	Nil
2	The types and nature of investments, including the amount that can be classified as: • Publicly traded; and • Privately held.	Nil
3	The cumulative realised gains (losses) arising from sales and liquidations in the reporting period.	Nil
4	Total unrealised gains (losses)	Nil

5	Total latent revaluation gains (losses)	Nil
6	Any amounts of the above included in Tier 1 and/or Tier 2 capital.	Nil
7	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements.	Nil

Table DF 17- Summary comparison of accounting assets vs. Leverage ratio exposure measure			30.09.2020
	Item	(Rs. in Crores)	(Rs. in Lac
1	Total consolidated assets	94404.73	9440473.12
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-	
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	
4	Adjustments for derivative financial instruments	-	
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	2722.68	272268.34
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	4880.37	488036.94
7	Other adjustments	1621.73	162172.54
8	**Leverage ratio exposure**	**97663.38**	**9766337.53**

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	Table DF-18: Leverage ratio common disclosure template		
	Leverage ratio Item framework	(Rs. in Crores)	30.09.2020 (Rs. in Lac)
	On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	91682.05	9168204.78
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	-1621.73	-162172.54
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	90060.32	9006032.24
	Derivative exposures		
4	Replacement cost associated with all *derivatives* transactions (i.e. net of eligible cash variation margin)	-	-
5	Add-on amounts transactions for PFE associated with *all* derivatives	-	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
7	(Deductions of margin provided receivables assets for cash variation in derivatives transactions)	-	-
8	(Exempted CCP leg of client-cleared trade exposures)	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
11	**Total derivative exposures (sum of lines 4 to 10)**	**0**	**0**
	Securities financing transaction exposures	-	-
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	2722.68	272268.34
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	**Total securities lines 12 to 15) financing transaction exposures (sum of**	2722.68	272268.34
	Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	17917.37	1791736.78
18	(Adjustments for conversion to credit equivalent amounts)	-13037	-1303699.84
19	**Off-balance sheet items (sum of lines 17 and 18)**	4880.37	488036.94
	Capital and total exposures		
20	**Tier 1 capital**	3917.30	391729.77
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	97663.38	9766337.53
	Leverage ratio		
22	**Basel III leverage ratio**	4.01%	4.01%