Disclosures under Pillar 3 in terms of Guidelines on composition of Capital Disclosure Requirements of Reserve Bank of India – as on 30th September 2013

Table DF-1: Scope of Application

Dena Bank

(i) Qualitative Disclosures:

a. List of group entities considered for consolidation

Name of the entity / Country of incorporation	Whether the entity is included under accounting scope of consolidation (yes / no)	Explain the method of consolidation	Whether the entity is included under regulatory scope of consolidation (yes / no)	Explain the method of consolidation	Explain the reasons for difference in the method of consolidation	Explain the reasons if consolidated under only one of the scopes of consolidation
Not Applicable						

b. List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation

Name of the entity / country of incorporation	Principle Activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity	Regulatory treatment of bank's investments in the capital instruments of the entity	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
Not Applicable					

(ii) Quantitative Disclosures:

c. List of group entities considered for consolidation

Name of the entity / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
Not Applicable			

d. The aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation i.e. that are deducted

Name of the subsidiaries / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity	Capital deficiencies
Not Applicable				

e. The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk weighted:

Name of the insurance entities / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity / proportion of voting power	Quantitative impact on regulatory capital of using risk weighting method versus using the full deduction method
Not Applicable				

f. Any restrictions or impediments on transfer of funds or regulatory capital within the banking group: Not Applicable

Table DF-2 : Capital Adequacy

Qualitative disclosures:

The capital requirement is a function of the regulatory requirements, the risks arising from bank's activities mainly due to economic and market conditions. Capital planning of the bank is to ensure the adequacy of capital at the times of changing economic conditions, even at times of economic recession. In this process, the Bank recognizes:

- Current capital requirement of the bank; and
- Capital requirements to sustain projected asset acquisition in near future.

On the basis of current capital position of the bank, the raises capital in Tier -1 or Tier -2 with approval of Board of Directors of the Bank. The Capital Adequacy position of the bank is reviewed by the Board of the Bank on quarterly basis.

Similarly on a quarterly basis, Bank does the stress test for credit risk (CRAR dimension) considering uniform downgrading of credit rating by certain percentage for all rating categories.

The Bank reviews its capital requirements and capital strategy based on medium range business plans for 3 – 5 years. On the basis of review, the bank raises capital in Tier I & Tier II capital.

For compliance with the New Capital Adequacy Framework, the Bank has adopted Standardised Approach for Credit Risk, Basic Indicator Approach for Operational Risk and Standardized Duration Approach for Market Risk for computing CRAR.

The Bank's Minimum Capital Requirement and Actual level of Capital & Capital Adequacy as on 30.09.2013 are as under:

(₹ in crore)

(i)	**Capital requirement for Credit risk**	**5259.59**
	Capital requirement for Credit Risk	5259.59
	Securitisation exposures	0.00
(ii)	**Capital requirement for Market risk in respect of:**	**313.51**
	Capital requirement for Interest Rate Risk	212.42
	Capital requirement for Foreign Exchange risk (including gold)	4.50
	Capital requirement for Equity Risk	37.90
	Capital requirement for FFC	58.69
(iii)	**Capital requirement for Operational Risk:**	**396.89**
	Capital requirement for Operational Risk under Basic indicator approach	396.89
(iv)	**Capital Requirement for Other Exposures**	**186.92**
	Capital requirements for exposures to banks	3.63
	Capital requirement for Fixed Assets	100.74
	Capital requirement for Other Assets	82.55
(v)	**Total Capital**	
	Minimum Capital Requirement for Credit, Market ,Operational Risk and Other Risks	6156.91
	Actual Position of Total Eligible capital	6983.02
	Eligible Tier I Capital	4636.29
	Eligible Tier II Capital	2346.73
(vi)	**CRAR**	
	CRAR	10.21
	Tier I CRAR	6.78
	Tier II CRAR	3.43

Table DF- 3 : Credit Risk : General disclosures

a. Strategies and Processes for credit risk:

The bank has a well defined Loan Policy, Retail Lending Policy, SME Policy, Loan Recovery Policy and Investment Policy covering the important areas of credit risk management as under:

- Exposure ceilings to different sectors/ Industries of the economy, different types of borrowers , group and Industry
- Fair Practice Code in dispensation of credit
- Discretionary Lending Powers for different levels of authority of the bank
- Processes involved in dispensation of credit – pre sanction inspection, rejection, appraisal, sanction, documentation, monitoring, and recovery.
- Fixation of pricing

b. The Credit Risk philosophy, architecture and systems of the bank are as under:

Credit Risk Philosophy:

- ➢ Profitable deployment of resources in line with Asset Liability Management (ALM) requirements.
- ➢ To set up standard and uniform credit evaluation system and procedures to monitor portfolio performance and set up guideposts to augment income from non-fund exposures
- ➢ To address issues of credit concentration and to set up prudential credit exposure norms.
- ➢ To build and maintain a well diversified portfolio for an orderly asset growth
- ➢ To set up a Credit Risk Management System with parameters for risk identification, measurement, monitoring and mitigation
- ➢ To provide for Loan Review Mechanism
- ➢ To set up a risk based Loan Pricing Policy
- ➢ To provide for dissemination of information to enable informed credit decision making at all levels and to facilitate proper training of field staff on credit appraisal and monitoring
- ➢ To provide for adequate delegation of discretionary authority at all levels.

Architecture and Systems of the Bank:

- ➢ A Sub-Committee of Directors has been constituted by the Board to specifically oversee and co-ordinate Risk Management functions in the Bank.
- ➢ Credit Risk Management Committee has been set up to formulate and implement various credit risk strategy including lending policies and to monitor Bank's Enterprise-wide Risk Management function on a regular basis.

- Formulating of policies on standards for credit proposals, financial covenants, rating standards and benchmarks.
- Credit Risk Management cells deal with identification, measurement, monitoring and controlling credit risk within the prescribed limits.
- Enforcement and compliance of the risk parameters and prudential limits set by the Board/regulator etc.
- Laying down risk assessment systems, developing MIS, and monitoring quality of loan portfolio, identification of problems, and correction of deficiencies.
- Evaluation of Portfolio, conducting comprehensive studies on economy,industry, test the resilience on the loan portfolio etc.
- Improving credit delivery system upon full compliance of laid down norms and guidelines.
- Credit Approval Committees have been set up at Zonal Offices (ZO-CAC), Field General Managers Office (GMO-CAC) & Head Office (HO-CAC-II) apart from existing Credit Approval Committee of Board i.e. HO-CAC-I.

c. <u>The policy of the Bank for classifying bank's loan assets is as under</u>:

NON PERFORMING ASSETS (NPA): A non-performing asset (NPA) is a loan or an advance where;

i. interest and / or installment of principal remain overdue for a period of more than 90 days in respect of a term loan,
ii. the account remains 'out of order' in respect of an Overdraft/Cash Credit (OD/CC),
iii. the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
iv. the installment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
v. The installment of principal or interest thereon remains overdue for one crop season for long duration crops.

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

An amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank. Non Performing Assets of the Bank are further classified into three categories as under:

Sub-standard Assets:

A sub-standard asset would be one, which has remained NPA for a period less than or equal to 12 months. All the recovery measures are relevant in substandard assets also. If the entire overdue is recovered by way of cash recovery, the account can be upgraded to standard category immediately. Similarly, if an account is classified as NPA due to technical reasons, the account shall be upgraded on clearance of technical reasons.

Doubtful Assets:

An asset would be classified as doubtful if it remained in the sub standard category for 12 months. In case of accounts, where the realizable value of security available is less than 50% of the balance outstanding / dues, these accounts would also be classified as Doubtful. Substandard and Doubtful accounts, which are subjected to restructuring/ rescheduling, can be upgraded to standard category only after a period of one year after the date when first payment of interest or of principal, whichever is earlier, falls due, subject to satisfactory performance during the period.

Loss Assets:

A loss asset is one where loss has been identified by the bank or internal or external auditors or the RBI inspection. In Loss assets, realizable value of security available is not more than 10% of balance outstanding/ dues. Since security back up will not be available, the restructuring/ rehabilitation, if required, should be considered with utmost care.

d. The Scope and Nature of Risk Reporting and / or Measurement System:

The Bank has in place a robust credit risk rating system for its credit exposures. An effective way to mitigate credit risks is to identify potential risks in a particular asset, maintain a healthy asset quality and at the same time impart flexibility in pricing assets to meet the required risk-return parameters as per the bank's overall strategy and credit policy.

The bank's robust credit risk rating system is developed in-house and is designed to assist the bank in determining the Probability of Default and the severity of default, among its loan assets and thus allow the bank to build systems and initiate measures to maintain its asset quality.

e. **The Quantitative Disclosures in respect of Credit Risk are as under**:

(₹ In crore)

Sr. No		**Fund Based**
(i)	Total credit (Net of provision)	64785.18
(ii)	Geographic Distribution of Advances. ➢ Overseas ➢ Domestic	64785.18 0 64785.18
(iii)	**Industry type distribution of domestic exposures**	**Fund Based Outstanding**
	Mining & Quarrying (incl. Coal)	41.77
	Iron & Steel	3041.57
	Other Metal & Metal Products	636.91
	All Engineering	2465.41
	Cotton Textile	1065.86
	Jute Textile	4.69
	Other Textiles	1618.86
	Sugar	77.62
	Tea	0.79
	Food Processing	856.05
	Vegetable oils (incl Vanaspati)	371.51
	Paper & Paper Products	439.78
	Rubber , Plastic & Products	192.96
	Chemical, Dyes, Paints & Pharmaceutical of which: ➢ Fertilizers ➢ Petro- Chemical ➢ Drug & Pharmaceuticals	1338.94 263.16 613.91 204.27
	Cement	687.38
	Leather & Leather Products	423.62
	Gems & Jewellery	685.25
	Construction	524.35
	Petroleum , Coal Products and Nuclear Fuels	269.50
	Vehicles, Vehicles Parts & transport Equipments	216.13
	Computer Software	229.54
	Infrastructure of which: ➢ Power ➢ Telecommunications ➢ Road & Ports ➢ Airports ➢ Railways (other than Indian Railways)	13390.29 10679.10 957.60 1274.53 58.23 198.30

	➢ Other Infrastructure	222.55
	NBFCs	4160.60
	Trading	2865.70
	Beverage & Tobacco	1.84
	Wood & Wood Products	48.98
	Other Industries	2805.77

f. Residual Contractual Maturity Breakdown of Assets

(₹ In crore)

Maturity Pattern	Advances	Investments	Foreign Currency Assets
1 day (next day)	96.83	165.73	427.69
2 to 7 days	623.98	821.20	15.33
8 to 14 days	775.83	342.99	48.51
15 to 28 days	444.92	539.45	139.48
29 days and up to 3 months	3848.89	2127.89	551.56
Over 3 months & up to 6 months	2426.39	3522.97	287.21
Over 6 months & up to 1 year	2870.39	3036.38	0.00
Over 1 year & up to 3 years	26520.42	18313.61	0.00
Over 3 years & up to 5 years	5981.63	2419.28	0.00
Over 5 years	21195.90	2272.49	0.00
Total	64785.18	33561.99	1469.78

g. <u>Disclosure in respect of Non-performing Advances and Investments</u>:

a. Gross NPA

Category	(₹ In Crore)
Sub Standard	858.47
Doubtful – 1	532.46
Doubtful – 2	360.88
Doubtful – 3	96.44
Loss	120.01
Total NPA	1968.26

b. The amount of net NPA is ₹ 1308.59 Crore

c. The NPA ratios are as under:

- Gross NPAs to Gross Advances - 3.00 %
- Net NPAs to Net Advances - 2.02 %

d. The movement of gross NPAs is as under

Sl. No.	Particulars	₹ In Crore
(i)	Opening Balance at the beginning of the year	1757.45
(ii)	Addition during the half year	478.53
(iii)	Reduction during the half year	267.72
(iv)	Closing Balance as at the end of the half year (i + ii – iii)	1968.26

f. The movement of provision for NPA is as under:

Sl. No.	Particulars	₹ In Crore
(i)	Opening Balance at the beginning of the year	627.52
(ii)	Provision made during the half year	164.11
(iii)	Write-off made during the half year	152.63
(iv)	Write-back of excess provisions made during the half year	
(v)	Closing Balance as at the end of the half year (i+ii-iii-iv)	639.00

g. The amount of non-performing investments is ₹ 92.22 Crore.

h. The amount of provisions held for non-performing investments is ₹ 92.22 Crore

i. The movement of provisions for depreciation on investments is as under:

Sl. No.	Particulars	₹ In Crore
(i)	Opening Balance at the beginning of the year	204.33
(ii)	Provision made during the half year	83.92
(iii)	Write-off made during the half year	31.36
(iv)	Depreciation adjusted by reducing book value of Investment under AFS/ HFT category shifted to HTM	35.61
(v)	Closing Balance as at the end of the half year (i+ii-iii-iv)	221.28

RBI vide circular: RBI/2013-14/198 DBOD.BP.BC.No. 41/21.04.141/2013-14 dated 23.08.2013 gave Banks option to distribute the net depreciation on entire AFS & HFT portfolio in equal installments during the FY 2013-14. Accordingly against total depreciation of □ 387.09 crs towards MTM losses on Investments under HFT & AFS category, the provision of □ 129.03crs (1/3rd) is held on 30.09.2013.

Table DF- 4: Credit risk: Disclosures for Portfolios subject to the Standardised Approach

Under Standardized Approach, the bank accepts rating of all RBI recognised ECRAs (External Credit Rating Agencies) namely CARE, CRISIL, India Rating, ICRA, Brickwork and SMERA for domestic credit exposures. For overseas credit exposures the bank accepts rating of Standard & Poor, Moody's and Fitch as per RBI guidelines.

The bank encourages large corporate borrowers to solicit ratings from RBI approves ECAI (External Credit Assessment Institutions) and has used these ratings for calculating risk weighted assets wherever such ratings are available.
The risk weighted assets after risk mitigation subject to Standardized Approach (rated and unrated) in the following three major risk buckets are as under:

(i) Fund based & Non- Fund based exposures

(₹ in Crore)

	Fund based Exposure	Non Fund based Exposure
Against CRM	2310.52	904.05
At below 100%	35561.69	2291.85
At 100%	19178.30	4920.80
At more than 100%	8613.74	1533.88

(ii) Portfolio wise (Basel Asset Class-wise) fund based and non fund based exposures

(₹ in Crore)

Nature of Assets	Fund Based Exposure	Non Fund based Exposure (incl. undrawn)
Domestic Sovereign	-	2.57
Public Sector Entity	13664.43	1436.81
Claims on Bank	350.10	228.02
Primary Dealers	25.16	1.75
Corporates	32666.12	15943.32
Regulatory Retail Portfolio	12729.65	2348.06
Residential Property	2896.96	142.71
Commercial Real Estate	999.13	144.54
Specified Category	2117.94	69.11
Other Assets	214.77	933.34

Table DF- 5: Credit Risk Mitigation: Disclosures for Standardised Approach

a. Credit Risk Mitigation technique – On balance sheet netting

On -Balance Sheet netting is confined to loans/advances and deposits, where bank has legally enforceable netting arrangements, involving specific lien with proof of documentation.

b. Valuation of Collaterals

The valuation of eligible collaterals is taken based on the current market price as per the extant guidelines of the Bank regarding valuation of financial collaterals and non-financial collaterals

Bank obtains various types of securities (which may also be termed as collaterals) to secure the exposures (Fund based as well as non-fund based) on its borrowers. Generally following types of securities (whether as primary securities or collateral securities) are taken:

1. Movable assets like stocks, movable machinery etc.
2. Immoveable assets like land, building, plant & machinery
3. Bank's own deposits.
4. NSCs, IVPs, KVPs, Govt. Bonds, RBI Bonds, LIC policies, etc.
5. Cash Margin against Non-fund based facilities
6. Gold Jewellery
7. Shares as per approved list

The bank has well-laid down policy on valuation of securities charged to the bank. According to Loan policy, Valuation of collateral securities such as immovable properties charged to Bank should be taken once in three years.

The main types of guarantors against the credit risk of the bank are:

- Individuals (Personal guarantees)
- Corporate
- Central Government
- State Government
- ECGC
- CGTMSE

CRM collaterals are mostly available in Loans Against Bank's Own Deposit and Loans against Government Securities, LIC Policies. CRM securities are also taken in non fund based facilities like Guarantees and Letters of Credit.

Eligible guarantors (as per Basel II) available as CRM in respect of Bank's exposures are mainly Central/ State Government, ECGC, CGTMSE.

The total volatility adjusted Credit Risk Mitigants eligible for deduction from the outstanding exposures as on 30.09.2013 are ₹ 3291.83 Crore.

c. CRM exposure (portfolio-wise) **(₹ in Crore)**

Nature of Assets	**Fund Based CRM Exposure**	**Non Fund based CRM Exposure**
Domestic Sovereign	-	2.47
Public Sector Entity	42.70	4.03
Claims on Bank	150.07	3.22
Primary Dealers	19.59	0.93

Corporates	761.09	724.89
Regulatory Retail Portfolio	1258.97	151.92
Residential Property	25.23	-
Commercial Real Estate	1.73	14.07
Specified Category	48.05	2.52
Other Assets	3.09	-

Table DF- 6: Securitisation Exposures: Disclosure for Standardised Approach

The Bank does not have any case of its assets securitised as on 30th September, 2013.

Table DF- 7: Market risk in Trading Book

The Bank defines market risk as potential loss that the Bank may incur due to adverse developments in market prices. The following risks are identified as Market risk:

- Interest Rate Risk
- Currency Risk
- Price risk

ALCO Desk

ALM Desk or Asset Liability Management Section of Integrated Risk Management Department is headed by a Chief Manager. The Desk comprises of number of trained Officers and is responsible for implementing the Asset Liability Management directions of ALCO and to undertake necessary studies, analysis, etc for this purpose.

Mid Office

The Mid-Office in Integrated Treasury Branch is equipped with Officers with necessary skills and is responsible for monitoring, measuring, analyzing and reporting market risk involved in the operations on a continuous basis. The Mid-Office is independent of the Front & Back Offices of Treasury and reports to Dy. General Manager (Integrated Risk Management Department). The Mid-Office submits daily reports to Dy. General Manager (Integrated Risk Management Department) on the levels of adherence to the prescribed prudential limits in this Policy as well as the Investments Policy of the Bank.

Market Risk Management

In order to manage above risks, Bank's Board of Directors has laid down various limits such as Aggregate Settlement limits, Stop loss limits and Value at Risk limits. The risk limits, controls the risks arising from open market positions. The stop loss limit takes into account realized and unrealized losses. Bank has put in place a proper system for calculating capital charge on Market Risk on Trading Book as per RBI Guidelines, viz., Standardised Duration Approach. The capital charge thus calculated is converted into Risk Weighted Assets.

Capital charge on Market Risk (Standardised Duration Approach) as on 30th September 2013 is as under:

Sl. No.	Risk Category	Amount (₹ In crore)
I	**Interest Rate (a+b)**	**212.42**
a	**General market risk**	**169.18**
(i)	Net Position	
(ii)	Horizontal disallowance	3.14
(iii)	Vertical disallowance	4.07
(iv)	Options	
b	**Specific risk**	**43.24**
II	**Equity Risk (i + ii)**	**37.90**
i.	General market risk	16.84
ii.	Specific risk	21.06
III	**Foreign Exchange Risk (including Gold)**	**4.50**
IV	**Total capital charge for market risks under Standardised duration approach (I + II+III)**	**254.82**

Table DF- 8: Operational risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people or systems or from external events. It includes legal risk but excludes strategic and reputation risk. Operational risk is inherent in the Bank's business activities in day to day operations.

Objectives of Operational Risk Management (ORM)

- To recognise the need to understand operation risk in activities / business lines in which the bank is engaged. ORM functions shall not be understood as a process of eliminating such risks but as a systemic approach to understand, identify, measure, monitor and control such risk.
- To set up operational risk limits for various causes leading to operational risk event based on actual risk data collected, its severity and its trend. This approach would be necessary to eliminate / restrict the underlying causes for operational risk event to occur.
- To devise operational risk reporting system for specified business lines.
- Integrate ORM system in to day to day risk management processes of the bank by clearly assigning roles for effectively identifying, assessing, monitoring, control and mitigating operational risk events.
- Propose to move from Basic Indicator Approach (BIA) to The Standardised Approach (TSA) for Operational risk in due course.

In line with RBI guidelines, Bank has adopted the Basic Indicator Approach (BIA) to compute the capital requirements for Operational Risk. The methodology for calculating capital requirements under BIA can be summarised as given below:

The Gross Income of last three years is calculated by adding operating expenses to Operating Profit and subtracting reversal of provisions, profit from sale of HTM securities and income from insurance business as per RBI guidelines. The average gross income is then multiplied by a factor 'Alpha' (15%) to get Capital Charge for operational risk. Based on capital charge, Risk weighted Assets are calculated.

Risk Weight Assets for the Operational Risk as at 30th September 2013 is at ₹ 4409.86 Crores.

Table DF- 9: Interest rate risk in the banking book (IRRBB)

The interest rate risk is measured and monitored through two approaches:

Earning at Risk (Traditional Gap Analysis)(Short Term):

The immediate impact of the changes in the interest rates on net interest income of the bank is analyzed under this approach.

i. The Earning at Risk is analyzed under different scenarios as under :

EaR	Impact on NII for the next year (i.e. 30.09.2014)	
	By 50 bps	**By 200 bps**
Downward shift for assets as well as liabilities	103.44	413.76
Downward shift for deposits and investments and not for advance portfolio	87.71	350.84

ii. Economic Value of Equity (Duration Gap Analysis) (Long term) :

a. Economic Value of Equity at risk is done by calculating modified duration of assets and liabilities to arrive at the modified duration of equity. Impact on the Economic Value of Equity is analyzed for a 100 bps/ 200 bps rate shock at regular intervals for domestic operations through Duration Gap Method.

b. The net impact on net worth of the bank against 100 bps / 200 bps downward movement in interest rates is ₹ 719.47 Crores / ₹ 1438.94 Crores as on 30.09.2013 for domestic operations.

c. For assets and liabilities denominated in US dollars, the net impact on net worth of the bank against 100 bps / 200 bps downward movement in interest rates is ₹ 1.46 Crores / ₹ 2.92 Crores as on 30.09.2013.

The Bank has thus complied with the Basel III guidelines issued by the Reserve Bank of India including maintenance of minimum capital requirements, disclosure requirements. In the course of its business, Bank has set in place systems & procedures to identify the risks involved, measure the impact thereof, adhere to mitigation techniques / take necessary steps to mitigate such risks. Further, monitoring of such risks and mitigation thereof is done on an on-going basis.

Table DF-10 General Disclosure for Exposures related to Counterparty credit Risk

Qualitative Disclosure –

1. The bank has a well laid down policy for undertaking derivative transactions approved by board.

2. Capital for CCR exposure is assessed based on Standardised Approach.
3. Bank has put in place Counterparty Credit Risk limits for banks as counterparty, based on internal rating of the counterparty bank with the approval of the board. Counterparty exposures for other entities are subject to comprehensive exposure ceiling fixed by the board.
4. The bank does not have any credit derivative exposure at present.

Quantitative Disclosure –

1. As of date bank is dealing in Foreign Exchange Forward contracts and currency swaps.
2. The Bank does not recognise bilateral netting. The credit equivalent amount of derivatives that are subjected to risk weighting are calculated as per the Current Exposure Method**.**

(₹ in Crore)

Particulars	Foreign Exchange contracts & Swaps
Current Credit Exposure	1527.85
Potential Future Exposure	244.94
Total Credit Equivalent	1772.79

Table DF- 11: Composition of Capital

(Rs. in 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
Common Equity Tier 1 capital: Instruments and reserves			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	3500.60	3500.60
2	Retained earnings		
3	Accumulated other comprehensive income (and other reserves)	45593.50	45593.50
4	Directly issued capital subject to phase out from CET 1 (only applicable to non-joint stock companies)		
	Public sector capital injections grandfathered until 1 January 2018		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET 1)		
6	Common Equity Tier 1 capital before regulatory adjustments	49094.10	
Common Equity Tier 1 capital: regulatory adjustments			

7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	321.80	321.80
10	Deferred tax assets	2633.80	2633.80
11	Cash-flow hedge reserve		
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined-benefit pension fund net assets	1735.70	0.00
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)		
17	Reciprocal cross-holdings in common equity		
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)		
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)		
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		
22	Amount exceeding the 15% threshold		
23	of which: significant investments in the common stock of financial entities		
24	of which: Mortgage servicing rights		
25	of which: Deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments		
26a	of which: Investments in equity capital of the unconsolidated insurance subsidiaries entities		
26b	of which: Investments in equity		

	capital of the unconsolidated insurance non-financial subsidiaries		
26c	of which: Shortfall in the equity capital of the majority owned financial entities which have not been consolidated with the bank		
26d	of which: Unamortised pension funds expenditures		
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts subject to Pre-Basel III Treatment		
27	Regulatory adjustments Applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	1696.30	
28	Total regulatory adjustments to Common equity Tier 1	2731.20	
29	Common Equity Tier 1 Capital (CET 1)	46362.90	
	Additional Tier 1 capital : instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	2250.00	2500.00
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	2250.00	2500.00
33	Directly issued capital instruments subject to phase out from Additional Tier 1		
34	Additional Tier 1 instruments (and CET 1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT 1)		
35	of which: instruments issued by subsidiaries subject to phase out.		
36	Additional Tier 1 capital before regulatory adjustments	2250.00	2500.00
	Additional Tier 1 capital :regulatory adjustments		

37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments		
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)		
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)		
41	National specific regulatory adjustments (41a+41b)		
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries		
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank		
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	**Total regulatory adjustments to Additional Tier 1 capital**	2250.00	
44	**Additional Tier 1 capital (AT1)**	0.00	
44a	**Additional Tier 1 capital reckoned for capital adequacy**	0.00	
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)**	46362.90	48396.90
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	15550.00	17348.00
47	Directly issued capital instruments subject to phase out from Tier 2		
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)		
49	*of which: instruments issued by subsidiaries subject to*		

	phase out		
50	Provisions	8110.60	8110.60
51	**Tier 2 capital before regulatory adjustments**	23660.60	25458.60
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments		
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)		
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments (56a+56b)		
56a	of which: Investments in the Tier 2 capital of unconsolidated subsidiaries.		
56b	of which: shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank.		
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment		
57	**Total regulatory adjustments to Tier 2 capital**	193.30	241.60
58	**Tier 2 capital (T2)**	23467.30	25217.00
58a	**Tier 2 capital reckoned for capital adequacy**	23467.30	25217.00
58b	**Excess Additional Tier 1 capital reckoned for capital adequacy**	0.00	
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	23467.30	25217.00
59	**Total capital (TC= T1 + T2) (45+58c)**	69830.20	73613.90
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment		
60	**Total risk weighted assets (60a + 60b + 60c)**	684100.90	685836.60

60a	*of which: total credit risk weighted assets*	605167.60	606903.30
60b	*of which: total market risk weighted assets*	34834.70	34834.70
60c	*of which: total operational risk weighted assets*	44098.60	44098.60
	Capital ratios		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	6.78%	
62	Tier 1 (as a percentage of risk weighted assets)	6.78%	7.06 %
63	Total capital (as a percentage of risk weighted assets)	10.21%	10.73 %
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)		
65	*of which: capital conservation buffer requirement*		
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)	6.78 %	
	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 %	9.00 %
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital of other financial entities		
73	Significant investments in the common stock of financial entities		
74	Mortgage servicing rights (net of related tax liability)	N.A.	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	N.A	
	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)		
77	Cap on inclusion of provisions in Tier 2 under standardised approach		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		

Table DF- 12: Composition of Capital – Reconciliation Requirements

(Rs. in million)

		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on reporting date	As on reporting date
A	Capital & Liabilities		
i.	Paid-up Capital	3500.60	
	Reserves & Surplus	56955.30	
	Minority Interest		
	Total Capital	60455.90	
ii.	Deposits	936688.10	
	Of which: Deposits from banks	66210.20	
	Of which: Customer deposits	870477.90	
	Of which: Other deposits		
iii.	Borrowings	52079.70	
	Of which: From RBI		
	Of which: From banks		
	Of which: From other institutions & agencies		
	Of which: Others		
	Of which: Capital instruments		
iv	Other liabilities & provisions	20794.50	
	Total	1070018.20	
B	Assets		
i.	Cash and balances with Reserve Bank of India	45535.50	
	Balance with banks and money at call and short notice	2194.10	
ii.	Investments:	335619.90	
	Of which: Government securities		

	Of which: other approved securities		
	Of which: Shares		
	Of which: Debentures & Bonds		
	Of which: Subsidiaries / Joint Ventures / Associates		
	Of which: others (commercial papers, mutual funds etc.		
iii.	Loans and advances	647851.80	
	Of which: Loan and advances to banks		
	Of which: Loan and advances to customers		
iv.	Fixed assets	11416.70	
v.	Other assets	27400.20	
	Of which: Goodwill and intangible assets		
	Of which: Deferred tax assets		
vi.	Goodwill on consolidation		
vii.	Debit balance in Profit & Loss account		
	Total Assets	1070018.20	

Step – 2 (Rs. in million)

		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on reporting date	As on reporting date
A	Capital & Liabilities		
i.	Paid – up Capital	3500.60	
	Of which: Amount eligible for CET 1	3500.60	
	Of which: Amount eligible for AT1	0.00	
	Reserves & Surplus	56955.30	
	Minority Interest		
	Total Capital	60455.90	
ii.	Deposits	936688.10	
	Of which: Deposits from banks	66210.20	
	Of which: Customer deposits	870477.90	
	Of which: Other deposits		
iii.	Borrowings	52079.70	
	Of which: From RBI		
	Of which: From banks		
	Of which: From other institutions & agencies		
	Of which: others		
	Of which: Capital instruments		
iv.	Other liabilities & provisions	20794.50	

	Of which: DTLs related to goodwill		
	Of which: DTLs related to intangible assets		
B	Assets		
i.	Cash and balances with Reserve Bank of India	45535.50	
	Balance with banks and money at call and short notice	2194.10	
ii.	Investments:	335619.90	
	Of which: Government securities		
	Of which: other approved securities		
	Of which: Shares		
	Of which: Debentures & Bonds		
	Of which: Subsidiaries / Joint Ventures / Associates		
	Of which: others (commercial papers, mutual funds etc.		
iii.	Loans and advances	647851.80	
	Of which: Loan and advances to banks		
	Of which: Loan and advances to customers		
iv.	Fixed assets	11416.70	
v.	Other assets	27400.20	
	Of which: Goodwill and intangible assets		
	Of which: Deferred tax assets		
vi.	Goodwill on consolidation		
vii.	Debit balance in Profit & Loss account		
	Total Assets	1070018.20	

Extract of Basel III common disclosure template (with added column)- Table DF -11 (Part II)			
Common Equity Tier 1 capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related	3500.60	

	stock surplus		
2	Retained earnings		
3	Accumulated other comprehensive income (and other reserves)	45593.50	
4	Directly issued capital subject to phase out from CET 1 (only applicable to non-joint stock companies)		
5	Common share capital issued by subsidiaries and held by third parties(amount allowed in group CET 1)		
6	Common Equity Tier 1 capital before regulatory adjustments	49094.10	
7	Prudential valuation adjustments		
8	Goodwill(net of related tax liability)		

Table DF-14: Full Terms and Conditions of Regulatory Capital Instruments

Series IX
Features of the Issue

Issuer	Dena Bank
Issue Size	Rs. 100 crores + Green Shoe
Nature of Instrument	Unsecured Non-Convertible Redeemable Subordinated Bonds Lower Tier II Series IX in the nature of Promissory Notes
Mode of Placement	Private Placement
Tenor	122 months
Put Option	None
Call Option	None
Coupon Rate	The bond will bear the interest rate of 9.25% per annum (payable Annually) till the end of 122 months from the deemed date of allotment.
Face Value of the Bond	Rs.10 lakhs per Bond
Coupon Payable	Annually on 31st March every year.
Date of Opening	14th March, 2008
Date of Closing	19th March, 2008
Deemed date of allotment	25th March, 2008
Redemption	122 months after deemed date of allotment

The issue of Rs.100 crores was oversubscribed by Rs.6.00 crores aggregating to Rs.106 crores.

Series X
Summary Term Sheet

Issuer	Dena Bank
Instrument	Unsecured Redeemable Non-Convertible Subordinated Bonds (Normal Tier II) in the nature of Promissory Notes
Issue Size	Rs. 300 crores including green shoe option
Minimum Application	1 Bond and in multiples of 1 Bond thereafter
Tenure	10 year 7 months Normal Tier 2
Credit Rating	'AA-' by Crisil
Coupon Rate (% p.a) *	11.20% p.a.
Interest Payment	Annually on 31st March
Redemption / Maturity	At par at the end of 10th year 7 months from the Deemed Date of Allotment
Put & Call	No Put and call option
Face Value	Rs.10,00,000/- per Bond
Issue Price	At par (i.e. Rs.10,00,000/- per Bond)
Instrument Form	In Dematerialised Form only
Trading	Demat Mode only
Depository	The Bank will enter into a tripartite agreement with NSDL and CDSL for dematerialization of bonds and will be opening the accounts with NSDL and CDSL
Security	Un-secured
Settlement by Way of	Cheque (Normal / High Value) / RTGS / Funds Transfer
Issue opens on	September 29th, 2008
Issue closes on	September 30th, 2008
Pay In Date	On the date of application
Deemed Date of Allotment	September 30th, 2008
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited (NSE)
Trustee	IDBI Trusteeship Services Limited has been appointed by the Bank to act as Trustees for and on behalf of the holder(s) of the Bonds.
Interest on Application Money *	At the coupon rate (i.e.@ 11.20%p.a.) from the date of realization of cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment.

Series XI
Summary Term Sheet

Issuer	Dena Bank
Instrument	Unsecured Redeemable Non-Convertible Subordinated Bonds (Lower Tier II) in the nature of Promissory Notes
Issue Size	Rs. 200 crores
Minimum Application	1 Bond and in multiples of 1 Bond thereafter
Tenure	120 months Lower Tier 2
Credit Rating	'AA-' Stable by CRISIL 'AA-' by CARE
Coupon Rate (% p.a) *	9.50% p.a.
Interest Payment	Annually from Deemed Date of Allotment
Redemption / Maturity	At par at the end of 120 months from the Deemed Date of Allotment
Put & Call	No Put and call option
Face Value	Rs.10,00,000/- per Bond
Issue Price	At par (i.e. Rs.10,00,000/- per Bond)
Instrument Form	In Dematerialised Form only
Trading	Demat Mode only
Depository	The Bank will enter into a tripartite agreement with NSDL and CDSL for dematerialization of bonds and will be opening the accounts with NSDL and CDSL
Security	Un-secured
Settlement by Way of	Cheque (Normal / High Value) / RTGS / Funds Transfer
Issue opens on	January 27, 2009
Issue closes on	January 27, 2009
Pay In Date	On the date of application
Deemed Date of Allotment	January 29, 2009
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited (NSE)
Trustee	IDBI Trusteeship Services Limited has been appointed by the Bank to act as Trustees for and on behalf of the holder(s) of the Bonds.
Interest on Application Money	At the coupon rate (i.e.@ 9.50%p.a.) from the date of realization of cheque(s) / demand draft(s) upto one day prior to the Deemed Date of Allotment.

Series XII
Summary Term Sheet

Issuer	Dena Bank
Issue Size	Rs. 500 crore with a green shoe option to retain additional subscription of Rs.350 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 – XII) in the nature of Promissory Notes ("Bonds")
Nomenclature	Dena Bank Lower Tier II Bonds Series XII
Issuance / Trading	In Dematerialised Form
Credit Rating	"CRISIL AA+ / Stable" by CRISIL and "CRISIL AA+" by CARE
Security	Unsecured
Face Value	Rs.10,00,000/- per Bond
Issue Price	At par (i.e. Rs.10,00,000/- per Bond)
Redemption Price	At par (i.e. Rs.10,00,000/- per Bond)
Minimum Subscription	5 Bonds and in multiples of 1 Bond thereafter
Tenure	15 Years (180 months)
Put Option	None
Call Option	Call option may be exercised by the Bank after the instrument has run for at least 10 years and such call option may be exercised by the Bank only with the prior approval of RBI (Department of Banking Operations & Development)
Redemption / Maturity	At par at the end of 15 Years (180 months) from the Deemed Date of Allotment (with prior approval from RBI). The Bonds shall be free of restrictive clauses and not redeemable at the initiative of the holder or without the consent of the RBI
Coupon / Interest Rate	9.23% p.a.
Interest Payment	Annual
Interest Payment Date	On April 01, every year.
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited (NSE)
Trustee	AllBank Finance Ltd.
Depository	National Securities Depository Ltd. and Central Depository Services (India) Ltd.
Record Date	15 days (or any such period as may be SEBI / Stock Exchange / any other concerned regulatory authority) prior to each interest payment date, call option due date and redemption date
Registrars	Sharepro Services (India) Pvt. Ltd.

Bankers to the Issue	Dena Bank, Capital Market Branch, Mumbai
Interest on Application Money	At the coupon rate (i.e.@ 9.23%p.a.) from the date of realization of application money through RTGS upto one day prior to the Deemed Date of Allotment.
Settlement	Payment of interest and repayment of principal shall be made by cheque(s)/redemption warrants(s) / demand draft(s) / credit through electronic mode (NEFT /RTGS)
Mode of Subscription	Electronic transfer of funds through RTGS mechanism for credit in the Account of " Dena Bank ", Account No. "111511023771", Branch: " Capital Market Branch", IFSC Code:"BKDNO401115"
Issue Opening Date ^	18^{th} June , 2012
Issue Closing Date^	22^{nd} June , 2012
Pay In Date ^	18^{th} June , 2012 to 22^{nd} June , 2012
Deemed Date of Allotment ^	25^{th} June , 2012

^ 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.

Bond Series I
Terms of Present Placement

Nature of Instrument	Unsecured, Non-Convertible, Redeemable, Subordinted (Upper Tier II) Bonds- Series I in the nature of Promissory notes
Issue Size	Rs. 300 crore including green shoe option of Rs.150 crore.
Face Value per bond	Rs.10,00,000/-
Issue Price per bond	Rs.10,00,000/-
Minimum Application	5 Bonds (Rs.50,00,000/-) and in multiples of 1 Bond (Rs.10,00,000/-) thereafter
Tenor	15 Years from the Deemed Date of Allotment
Maturity	At par at the end of 15 years from the Deemed Date of Allotment
Put Option	Nil
Call Option	At the end of 10th year from deemed date of allotment with the prior permission from RBI, if not exercised by the bank, coupon shall be stepped up by 50 basis points thereafter till redemption.
Redemption	At par on maturity with the consent of the Reserve Bank of India
Coupon Rate	9.20% p.a.
Coupon Payable	Annually
Instrument Form	Dematerialised form only
Interest on Application Money	At the coupon rate
Interest Payment Date	October 1st every year.
Market Lot	1 (One) Bond of Rs.10,00,000/- each
Issue opens on	September 28, 2006
Issue closes on	September 28, 2006
Deemed Date of Allotment *	September 30, 2006
Credit Rating	'CRISIL has assigned a A/Stable(pronounced as A with stable outlook) rating to the captioned Debt issue programme of the Bank aggregating to Rs. 300 crores. Instruments carrying this rating are judged to be of adequate degree of safety with regard to timely payment of interest and principal on the instrument. Fitch Ratings India Private Limited has assigned a 'A(Ind)' rating to the the captioned Debt issue programme of the Bank aggregating to Rs. 300 crores. The outlook on the rating is stable.
Listing	The Bank proposes to list the Bonds on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited (NSE)

Perpetual Series I
Term of the Placement

Nature of Instrument	Unsecured, Non-Convertible, Redeemable, Subordinated Bonds (Tier II Bonds Series VIII)
Issue Size	Rs. 125 crore with green shoe option of Rs.100 crore.
Face Value per bond	Rs.10,00,000/-
Issue Price per bond	Rs.10,00,000/-
Minimum Application	5 Bonds (Rs.50,00,000/-) and in multiples of 1 Bond (Rs.10,00,000/-) thereafter
Tenor	109 months from the Deemed Date of Allotment
Maturity	At par at the end of 109 months from the Deemed Date of Allotment
Redemption	At par on maturity with the consent of the Reserve Bank of India
Coupon Rate	7.30% p.a.
Coupon Payable	Annually
Instrument Form	Dematerialised form only
Interest on Application Money	At the coupon rate
Interest Payment Date	March 31st every year
Market Lot	1 (One) Bond of Rs.10,00,000/- each
Issue opens on	March 29, 2005
Issue closes on	March 31, 2005
Deemed Date of Allotment *	March 31, 2005
Credit Rating	'A+' This rating indicates upper medium grade instruments and have many favourable investment attributes. Safety for principal and interest are considered adequate. Assumptions that do not materialize may have a greater impact as compared to the instruments rated higher.
Listing	The Bank proposes to list the Bonds on the Wholesale Debt Market (WDM) segment of the National Stock Exchange of India Limited (NSE)

Perpetual Series II
Summary Term Sheet

Issuer	Dena Bank
Issue Size	Rs.125 crores including Green Shoe Option
Issue Objects	Augmenting Tier-I Capital for strengthening the Capital Adequacy and enhancing long term resources of the Bank
Instrument	Unsecured Non-Convertible Perpetual Bonds (Innovative Perpetual Debt Instruments) (Series-II) in the nature of Promissory Notes ("Bonds")
Nomenclature	Dena Bank Perpetual Bonds Series II
Issuance / Trading	In Dematerialised Form
Credit Rating	CARE "A" by CARE and "A stable" by CRISIL
Security	Unsecured
Face Value	Rs.10,00,000/- per Bond
Issue Price	At par (Rs.10,00,000/- per Bond)
Redemption Price	Perpetual – Not Applicable
Minimum Subscription	1 Bond and in multiples of 1 Bond thereafter
Tenure	Perpetual
Put Option	None
Call Option	# At par at the end of 10th year from Deemed Date of Allotment and every year thereafter on each anniversary date (subject to prior approval from RBI)
Redemption / Maturity	Perpetual
Redemption Date	Perpetual – Not Applicable
Call Option Due Date	May 28,2019 and every year thereafter on each anniversary date (subject to prior approval from RBI)
Coupon / Interest Rate	* 9.00% p.a. for the first 10 years and step up coupon rate of 9.50% p.a. for subsequent years if Call Option is not exercised by the Bank at the end of 10th year from the Deemed Date of Allotment Note: The step-up option shall be available only once during the whole life of bonds, in conjunction with the call option, after the lapse of 10 years from the deemed date of allotment. The step-up shall be 50 basis points.
Interest Payment	Annual (subject to RBI norms)
Interest Payment Date	On April 01, every year (subject to RBI norms)
Lock-in-clause	The Bonds shall be subjected to a lock-in clause in terms of which, Bank shall not be liable to pay interest, if (i) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI or (ii) the impact of such payment results in Bank's capital to risk assets ratio (CRAR) falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with prior approval of RBI when the

	impact of such payment may result in net loss or increase the net loss, provided the CRAR remains above the regulatory norm. Further the interest unpaid shall not be cumulative
Listing	Proposed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Limited (NSE)
Trustee	IDBI Trusteeship Services Ltd.
Depository	National Securities Depository Ltd. and Central Depository Services (India) Ltd.
Registrars	Sharepro Services (India) Pvt. Ltd.
Banker to the Issue	Dena Bank, Capital Market Branch, Mumbai
Interest on Application Money *	At the coupon rate applicable for the first 10 years (i.e.@ 9.00%p.a.) from the date of realization of cheque(s) / demand draft (s)/ RTGS upto but excluding the Deemed Date of Allotment.It will be paid within two working days from the Deemed Date of Allotment.
Settlement	Payment of interest and repayment of principal (Only in case of call option) shall be made by way of cheque(s)/ interest / redemption warrant(s)/demand drafts(s)/credit through RTGS /ECS system
Mode of Subscription	Through RTGS / ECS system Cheque(s)/ demand draft (s) may be drawn in favour of **"Dena Bank A/c – IPDI Issue"** and crossed **"Account Payee Only"** payable at par at designated centers mentioned elsewhere in the Disclosure Document or by way of electronic transfer of funds through RTGS mechanism for credit in the Account of **" Dena Bank "**, Account No. "111511023752", Branch: **" Capital Market Branch"**, IFSC Code:**"BKDNO401115-"**
Issue Opens on ^	May 20, 2009 (Wednesday)
Issue Closes on ^	May 26, 2009 (Tuesday)
Pay In Date ^	May 20, 2009 to May 26, 2009
Deemed Date of Allotment ^	May 28, 2009 (Thursday)

In case of exercise of Call Option by the Bank, the Bank shall notify its intention to do so through a public notice at least in one All-India English and one regional language daily newspaper in Mumbai and/or through notice sent by registered post / courier to the sole / first Beneficial Owner of the Bonds at least 30 (thirty) day prior to the due date.
^ 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.

	Table DF-13: Main Features of Regulatory Capital instruments									
		Equity	**Lower Tier II Bonds**					**Upper Tier II**	**Tier I**	
Disclosures under Pillar 3 in terms of Guidelines on composition of Capital Disclosure Requirements of Reserve Bank of India - as on 30th September 2013			**Series VIII**	**Series IX**	**Series X**	**Series XI**	**Series XII**	**Bond Series I**	**Perpetual Series I**	**Perpetual Series II**
		1	2	3	4	5	6	7	8	9
Disclosure templat										

e for main features of regulatory capital instruments										
1	Issuer	DENA BANK	DENA BANK	DENA BANK	DENA BANK	DENA BANK	DENA BANK	DENA BANK	DENA BANK	DENA BANK
2	Unique Identifier (e.g. CUSIP,ISIN or Bloomberg identifier for private placement	INE077 A01010	INE077 A09039	INE077 A09062	INE077 A09070	INE077 A09088	INE077 A09104	INE077 A09047	INE077 A09054	INE077A 09096
3	Governing law (s) of the instrument Regulatory treatment	--	--	--	--	--	--	--	--	--
4	Transitional Basel III rules	Tier I	Tier II	Tier II	Tier II	Tier II	Tier II	Tier II	Tier I	Tier I
5	Post-transitional Basel III rules									
6	Eligible at solo/group/ group & solo	SOLO	SOLO	SOLO	SOLO	SOLO	SOLO	SOLO	SOLO	SOLO
7	Instrument type	Common Shares	Tier II Debt Instrument	Tier II Debt Instrument	Tier II Debt Instrument	Tier II Debt Instrument	Tier II Debt Instrument	Tier II Debt Instrument	Perpetual Debt Instrument	Perpetual Debt Instrument
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	3501	0	848	3000	2000	8500	3000	1250	1250
9	Par value of instrument	3501	2100	1060	3000	2000	8500	3000	1250	1250
10	Accounting classification	Shareholder's Equity	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	05.12.1996	31.03.2005	25.03.2008	30.09.2008	29.01.2009	25.06.2012	30.09.2006	13.12.2007	28.05.2009
12	Perpetual or dated	Perpetual	30.04.2014	24.05.2018	30.04.2019	29.01.2019	25.06.2027	30.09.2021	Perpetual	Perpetual
13	Original maturity date	No maturity	30.04.2014	24.05.2018	30.04.2019	29.01.2019	25.06.2027	30.09.2021	Perpetual	Perpetual

14	Issuer call subject to prior supervisory approval	NO	NO	NO	NO	NO	YES	YES	YES	YES
15	Optional call date, contingent call dates and redemption amount	- NA-	- NA-	- NA-	- NA-	- NA-	* 25.06.2022	* * 30.09.2016	* * *13.12.2017	* * 28.05.2019
16	Subsequent call dates, if applicable Coupons / dividends	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	* * *	- NA-
17	Fixed or floating dividend/coupon	Floating	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	NA	7.30%	9.25%	11.20%	9.50%	9.23%	9.20%	10.05%	9.00%
19	Existence of a dividend stopper	NA	NO	NO	NO	NO	NO	NO	NO	NO
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	NO	NO	NO	NO	NO	NO	YES	YES	YES
22	Noncumulative or cumulative	Non Cummulative	Non Cummulative	Non Cummulative	Non Cummulative	Non Cummulative	Non Cummulative	Non Cummulative	Non Cummulative	Non Cummulative
23	Convertible or non-convertible	Non Convertible	Non Convertible	Non Convertible	Non Convertible	Non Convertible	Non Convertible	Non Convertible	Non Convertible	Non Convertible
24	If convertible, conversion trigger(s)	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-
25	If convertible, fully or partially	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-
26	If convertible, conversion rate	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-
27	If convertible, mandatory or optional conversion	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-
28	If convertible, specify instrument type convertible into	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-
29	If convertible, specify issuer of instrument it converts into	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-	- NA-
30	Write-down feature	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -
31	If write-down, write-down trigger(s)	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -
32	If write-down, full or partial	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -
33	If write-down, permanent or temporary	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -

34	If temporary write-down, description of write-up mechanism	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	8 & 9	- NA -	- NA -	- NA -	- NA -	- NA -	2, 3, 4, 5 & 6	7	7
36	Non-compliant transitioned features	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -
37	If yes, specify non-compliant features	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -
*	with RBI approval after the instrument is run for 10 years									
* *	at the end of 10th year from deemed date of allotment with the prior permission from RBI, if not exercised by the Bank, coupon shall be stepped up by 50 basis points thereafter till redemption									
* * *	at the end of 10th year from deemed date of allotment and every interest payment date thereafterwith the prior permission from RBI, if not exercised by the Bank, coupon shall be stepped up by 50 basis points thereafter till redemption									