Barclays Bank PLC – Indian Branches
(Incorporated in the United Kingdom with limited liability)

Basel III - Pillar 3 disclosures of Barclays Bank Plc - Indian Branches for the period ended 31 December 2016

BACKGROUND

The BASEL III – Pillar 3 disclosures contained herein relate to Barclays Bank Plc, India Branches (herein also referred to as the 'Bank') for the quarter ended December 31, 2016. Barclays Bank Plc – Indian Branches (the **"Bank "**) is a branch of Barclays Bank Plc, which is incorporated in the United Kingdom with limited liability. Barclays Bank Plc. (UK) (the **"Group"**) is regulated by its home regulator, viz. Prudential Regulatory Authority (PRA), in the United Kingdom (UK). The Bank has been operating in India since 1990 and has now 6 branches (excluding 1 service branch). The Bank operations are conducted in accordance with the banking license granted by the Reserve Bank of India (RBI) under the Banking Regulation Act 1949.

These disclosures are compiled in accordance with Reserve Bank of India (the 'RBI') regulations on Pillar 3 as given in 'Master Circular – Basel III Capital Regulations dated July 1, 2015'.

The Basel III framework implemented in the Bank is made up of three pillars.

- Pillar 1 : Minimum Capital Requirements - This Pillar includes the calculation of RWAs for credit risk, counterparty credit risk, market risk and operational risk.
- Pillar 2 : Supervisory Review and Evaluation Process (SREP) – This Pillar requires banks to undertake a comprehensive assessment of their risks and to determine the appropriate amounts of capital to be held against these risks where other suitable mitigants are not available.
- Pillar 3 : Market Discipline – This Pillar covers external communication of risk and capital information by banks as specified in the Basel rules to promote transparency and good risk management.

1. CAPITAL ADEQUACY (Table DF-2)

2.1 Capital Management

Objective

The Bank's objectives are to:

- Meet minimum regulatory requirements in jurisdictions . The Bank's authority to operate as a bank is dependent on the maintenance of adequate capital resources at each level where prudential capital requirements are applied
- Supports its growth and strategic options;
- Support its credit rating. A weaker credit rating would increase the Bank's cost of funds

Governance structure

Responsibility for risk management resides at all levels within the Group, from the Board and the Executive Committee down through the organisation to each business manager and risk specialist. Barclays distributes these responsibilities so that risk/return decisions are taken at the most appropriate level; as close as possible to the business, and subject to robust and effective review and challenge. The responsibilities for effective review and challenges reside with senior managers, risk oversight committees, Barclays Internal Audit, the Independent Group Risk function, the Board Risk Committee and, ultimately, the Board.

In addition, each business unit has an embedded risk management function, headed by a business risk director. Business risk directors and their teams are responsible for assisting business heads in the identification and management of their business risk profiles and for implementing appropriate controls. These teams also assist Group Risk in the formulation of Group policies and their implementation across the businesses.

At the Bank level, Enterprise Risk Management Framework (ERMF) operating within the broad policy framework reviews and monitors various aspects of risk arising from the business. Independent Committee(s) like Executive Committee (ExCO), Operations Committee (OPCO), Risk and Control Committee (R&CC), Assets and Liabilities Management Committee (ALCO) have been constituted across the Bank to facilitate independent evaluation, monitoring and reporting of various risks

Regulatory capital

Reserve Bank of India (RBI) issued Basel III guidelines applicable with effect from April 1, 2013. The guidelines provide a transition schedule for Basel III implementation till March 31, 2019. Upon full implementation, Basel III guidelines target minimum capital to risk weighted assets ratio (CRAR) would be 11.5% (excluding capital required to comply with Global Systemically Important Bank (G-SIB) norms), minimum Common Equity Tier-1 (CET1) CRAR ratio would be 8.0% and minimum Tier-1 CRAR ratio would be 10.625%.

As at December 31, 2016, as per Basel III guidelines bank is required to maintain minimum Common Equity Tier 1 (CET1) capital ratio of 7.13%, minimum Tier-1 capital ratio of 8.63% and minimum total capital ratio of 10.625%. The minimum capital requirement includes capital conservation buffer (CCB) of 0.625% and additional CET1 capital surcharge of 1.00% on account of the Bank being designated as a G-SIB.

Internal assessment of capital

The Bank has a process for assessing its overall capital adequacy in relation to the Bank's risk profile and a strategy for maintaining its capital levels. Capital planning is set in consideration of minimum regulatory requirements. Capital held to support the level of risk identified is set in consideration of minimum ratio requirements and internal buffers. The process provides an assurance that the Bank has adequate capital to support all risks in its business and an appropriate capital buffer based on its business profile.

The Bank's capital management framework includes a comprehensive internal capital adequacy assessment process (ICAAP) conducted annually and which determines the adequate level of capitalization for the Bank to meet regulatory norms, current and future business needs, including those under stress scenarios. The ICAAP encompasses capital planning for a three year time horizon, identification and measurement of material risks and the relationship between risk and capital. These plans are reviewed to assess any capital requirements.

Capital monitoring

The Bank monitors its capital adequacy ratio on a regular basis. The Bank has a process of submitting a Capital Monitoring dashboard where the regulatory CRAR is put up to Treasury. Local management ensures compliance with an entity's minimum regulatory capital requirements by reporting to local Asset and Liability Committees with oversight by Group Treasury as required.

2.2 Capital Requirement for Pillar 1 Risks

Capital required for credit, market and operational risk given below is arrived at after multiplying the risk weighted assets by 10.625%.

(Rs. in '000s)

S. No	Description	December 31,2016	March 31, 2016
A	**Capital Requirement for Credit Risk**	24,538,531	**18,975,226**
	(Standardised Approach)		
	- On-balance sheet exposures excluding securitisation exposures	8,374,767	7,534,114
	- Off- balance sheet exposures excluding securitisation exposures	16,163,764	11,429,675
	a) Non-market related	1,501,192	1,378,098
	b) Market-related	14,662,572	10,051,577
	- On-balance sheet-securitisation exposures	0	-
	- Counterparty Risk as Borrower of funds	0	11,437
B	**Capital Requirement for Market Risk**	**5,785,593**	**4,934,083**
	(Standardised Duration Approach)		
	- Interest rate related instruments	4,682,605	4,103,598
	- Equity	40,488	30,485
	- Foreign Exchange and Gold	1,062,500	800,000
C	**Operational-risk-weighted exposures**	**2,573,247**	**1,937,504**
	(Basic Indicator Approach)		
D	**Capital Adequacy Ratio of the Bank**	18.60%	**18.82%**

BARCLAYS

Barclays Bank PLC – Indian Branches
(Incorporated in the United Kingdom with limited liability)

2.3 Capital Structure / Instruments of the Bank

Tier 1 capital comprises of:

- Capital funds (Interest free funds) injected by Head Office for capital adequacy
- Statutory reserves percentage of net profits retained (currently 25%)
- Remittable surplus in India specifically for capital adequacy purposes
- Capital reserves not eligible for repatriation so long the Bank operates in India.

Tier 2 capital comprises of:

- General provisions created in line with RBI regulations like provision on standard assets, provision on unhedged foreign currency exposure,etc.

As on December 31, 2016 total capital base (Tier1 + Tier2) of the Bank stood at Rs. 57,918,549 ('000s)

S No	Description	December 31,2016	March 31, 2016
A.1	Tier 1 Capital	**56,239,236**	**54,136,927**
	Common equity tier 1 capital	56,239,236	54,136,927
	of which		
	-Paid-up share capital	52,495,224	52,495,224
	-Reserves and surplus	6,078,799	6,078,799
	Less: Deductions from tier 1 capital		
	-Amount deducted from tier1 capital (deferred tax asset & other intangibles)	(2,237,061)	(4,339,370)
	-Debit balance in HO / unearned credit spreads/ illiquidity premia	(97,726)	(97,726)
A.2	Additional Tier 1 Capital	-	-
B	Tier 2 Capital	**1,679,313**	**1,693,347**
	of which		
	- Investment reserve	281,587	281,587
	- Provision for standard assets	1,278,070	1,278,070
	- Provision for Unhedged Foreign Currency Exposure	119,657	133,691
	- Provision for country risk	-	-
	- Excess provision on sale of NPA's	-	-
C	Total Eligible Capital (A+B)	**57,918,549**	**55,830,274**

The capital ratios of the Bank are as follows:

Capital ratios	December 31,2016	March 31,2016
CET1 capital ratio	18.06%	18.24%
Tier - 1 capital ratio	18.06%	18.24%
Total capital ratio	18.60%	18.82%

3. RISK EXPOSURE AND ASSESSMENT

As a bank, Barclays is exposed to various risks vis-à-vis credit risk, market risk, liquidity risk, reputational risk and conduct risk.. To combat these risks, Barclays has clear risk management objectives and a well established strategy to deliver them through core risk management processes.

At a strategic level, our risk management objectives are to:

- Identify the significant risks;
- Ensure that business profile and plans are consistent with the defined risk appetite
- Optimize risk/return decisions by taking them as closely as possible to the business, while establishing strong and independent review and challenge structures;
- Ensure that business growth plans are properly supported by effective risk infrastructure;
- Manage risk profile to ensure that specific financial deliverables remain possible under a range of adverse business conditions; and
- Help executives improve the control and co-ordination of risk taking across the business.

Risk Appetite

Risk appetite is defined as the level of risk Barclays is prepared to accept whilst pursuing its business strategy, recognising a range of possible outcomes as business plans are implemented. Risk appetite sets the 'tone from the top' and provides a basis for on-going dialogue between management and Board with respect to Barclays current and evolving risk profile, allowing strategic and financial decisions to be made on an informed basis.

Barclays risk appetite framework consists of two parts: 'Financial Volatility', which is the level of potential deviation from expected financial performance Barclays is prepared to sustain, and 'Mandate and Scale', which ensures the Group stays within appetite. The strategy and business activities are reflected in key performance metrics, which are dependent in large part on risk performance.

Financial Volatility

Financial volatility is defined as the level of potential deviation from expected financial performance that Bank is prepared to sustain at relevant points on the risk profile. To assess Financial Volatility, the risk profile is examined at following points:

- Expected loss ("through-the-cycle")
- Worst case/stress loss, as laid out under the stress testing framework i.e.
    - in 7 (moderate) loss: the worst level of losses out of a random sample of 7 years; and
    - 1 in 25 (severe) loss: the worst level of losses out of a random sample of 25 years.

Mandate & Scale

The second element to the setting of risk appetite in Barclays is an extensive system of Mandate & Scale limits, which is a risk management approach that seeks to formally review and control business activities to ensure that they are within Barclays mandate and are of an appropriate scale (relative to the risk and reward of the underlying activities).

This is achieved by using limits and triggers to avoid concentrations which would be out of line with external expectations, and which may lead to unexpected losses of a scale that would be detrimental to the stability of the relevant business line or of the Bank. These limits are set by independent risk functions and will include any prudential limits set forth by Reserve Bank of India for any risk.

Bank uses the Mandate and Scale framework to:

- Limit concentration risk;
- Keep business activities within Bank's business mandate;
- Ensure activities remain of an appropriate scale relative to the underlying risk and reward;
- Ensure risk-taking is supported by appropriate expertise and capabilities.

The overall market risk appetite for the bank is defined as the 95% DVaR limit, since it is good representative of the bounds of P&L movements that occur under normal market conditions. The DVaR limit is currently set at £5m and a granular level market risk limit structure is formulated around it. The detailed limits are set out in the risk appetite statement of the Bank.

Stress testing

Stress Testing is performed by the Bank and helps to ensure that our medium term plan has sufficient flexibility to remain appropriate during times of stress. Stress testing allows us to analyse a potential economic scenario or event using defined macro and market based parameters.

Bank runs detailed analysis to assess the impact of the stress on their P&L, balance sheet and RWAs for the Bank. As part of the stress test process, Bank also identifies possible management actions to mitigate the impact of stress. The bottom-up approach ensures all levels of management are informed of the impact of the stress scenarios and are aware of appropriate management actions to be taken when a stress event occurs.

The stress results are reviewed and challenged by their local risk managers and senior management and by Local Risk Committee as part of detailed review meetings. The results are agreed with senior management in Barclays Risk and Barclays Treasury, and then reviewed and agreed by ALCO and ExCO.

4. CREDIT RISK : General disclosures for all the Banks (Table DF- 3)

Credit risk is the risk of suffering financial loss should any of the customers, clients or market counterparties fail to fulfill their contractual obligations.

4.1 Credit Risk Management Objectives and Policies:

The Group has clear risk management objectives and a well established strategy to deliver them through core risk management processes. At a strategic level, the Group's risk management objectives are to:

- Identify significant risks
- Formulate the risk appetite and ensure that business profile and plans are consistent with it
- Optimize risk/return decisions by taking them as closely as possible to the business, while establishing strong and independent review and challenge structures
- Ensure that business growth plans are properly supported by effective risk infrastructure

- Manage risk profile to ensure that specific financial deliverables remain possible under a range of adverse business conditions, and
- Help executives improve the control and co-ordination of risk taking across the business.

A key element in the setting of clear management objectives is the Enterprise Risk Management Framework (ERMF) which sets out key activities, tools, techniques and organizational arrangements so that material risks facing the Group are identified and understood, and that appropriate responses are in place to protect the Bank and prevent detriment to its customers, employees or community.

The aim of the risk management process is to provide a structured, practical and easily understood set of three steps, Evaluate, Respond and Monitor (the E-R-M process), that enables management to identify and assess risks, determine the appropriate risk response and then monitor the effectiveness of the risk response and changes to the risk profile.

The granting of credit is one the Bank's major sources of income and, as a Principal Risk, considerable resources are dedicated to its control. The credit risk that the Bank faces arises mainly from wholesale and other small-ticket loans together with the counterparty credit risk arising from derivative contracts with clients. Other sources of credit risk arise from trading activities, including debt securities; settlement balances with market counterparties, available for sale assets and reverse repurchase loans.

Credit risk management objectives are to:

- To establish a framework of controls to ensure credit risk-taking is based on sound credit risk management principles
- To identify, assess and measure credit risk clearly and accurately across the Group and within each separate business, up to the total portfolio
- To control and plan credit risk-taking in line with external stakeholder expectations and avoiding undesirable concentrations
- To monitor credit risk and adherence to agreed controls
- To ensure that the risk reward benefits are met

4.2 Structure and Organization

The Group has structured the responsibilities of credit risk management so that decisions are taken as close as possible to the business, whilst ensuring robust review and challenge of performance, risk infrastructure and strategic plans. The credit risk management teams in each business are accountable to the relevant Business Chief Risk Officer who in turn reports to the CRO.

Credit risk approval is undertaken by experienced credit risk professionals operating within a clearly defined delegated authority framework, with only the most senior credit officers entrusted with the higher levels of delegated authority. The largest credit exposures which are outside of individual delegated authorities or relevant credit approval committees require the support of the Group Senior Credit Officer (GSCO), the Group's most senior credit risk sanctioner. For exposure in excess of the GSCO authority, approval by Group CRO is required. Credit risk managers are generally organized in sanctioning team by geography, industry and / or product.

The role of the Central Risk function is to provide Group-wide direction, oversight and challenge of credit-risk taking. Central Risk sets the Credit Risk Control Framework, which provides the structure within which credit risk is managed, together with supporting credit risk policies.

4.3 Credit risk monitoring

For effective monitoring of credit facilities, the relevant Risk Control Unit / Transaction Management Group verifies adherence to the terms of approval prior to commitment and disbursement of credit facilities.

4.4 Reporting, assessment and measurement

Risk management policies and processes are designed to identify and analyze risk, to set appropriate risk appetite, limits and controls, and to monitor the risks and adherence to limits by means of reliable and timely data. This process can be summarised in five broad stages:

- Measuring exposures and concentrations
- Monitoring performance and asset quality
- Monitoring weaknesses in portfolios
- Raising allowances for impairment and other credit provisions; and
- Returning assets to a performing status or writing off assets when the whole or part of a debt is considered irrecoverable.

The principal objective of credit risk measurement is to produce the most accurate possible quantitative assessment of the credit risk to which the Bank is exposed, from the level of individual facilities up to the total portfolio. Integral to this is the assignment of obligor ratings, which are used in numerous aspects of credit risk management and in the calculation of regulatory and economic capital.

The key building blocks in this quantitative assessment are:

- Probability of default (PD)
- Exposure at default (EAD)
- Loss given default (LGD)

4.5 Credit Concentration Risk

A risk concentration is any single exposure or a group of exposures with the potential to produce losses large enough (relative to a bank's capital, total assets, or overall risk level) to threaten a bank's health or ability to maintain its core operations.

The Bank monitors the Exposure norms as prescribed by Reserve Bank of India vide its Master circular on Exposure norms DBOD.No.Dir.BC.12/13.03.00/2015-16 on a periodic basis. The exposure ceiling limits is 15 percent of capital funds in case of a single borrower and 40 percent of capital funds in the case of a borrower group. Credit exposure to a single borrower may exceed the exposure norm of 15 percent of the bank's capital funds by an additional 5 percent (i.e. up to 20 percent) provided the additional credit exposure is on account of extension of credit to infrastructure projects. Credit exposure to borrowers belonging to a group may exceed the exposure norm of 40 percent of the bank's capital funds by an additional 10 percent (i.e., up to 50 percent), provided the additional credit exposure is on account of extension of credit to infrastructure projects. In addition to the exposure permitted above, bank may, in exceptional circumstances, with the approval of its EXCO Executive Committee, consider enhancement of the exposure to a borrower up to a further 5 percent of capital funds.

In addition to the above, the Bank controls and limits concentration of risk via the application of sectoral caps and identifying high-risk sectors.

4.6 Definition of Non-Performing Assets

Assets (Loans and credit substitutes in the nature of advances) are identified as performing or non-performing assets (NPAs) based on the management's periodic internal assessment or in accordance with RBI guidelines, whichever is earlier. An asset becomes non-performing when it ceases to generate income for the bank. A payment obligation (principal/interest) which remains unpaid for more than 90 days past due is classified as NPA.

An overdraft /cash credit facility is classified as NPA when the account remains "out of order". An account is treated as 'out of order' if:

- the outstanding balance remains continuously in excess of the sanctioned limit/drawing power for 90 days; or
- 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 the balance sheet; or
- credits in the account are not enough to cover the interest debited during the accounting period; or
- drawings have been permitted in the account for a continuous period of 90 days based on drawing power computed on the basis of stock statements that are more than three months old even though the unit may be working or the borrower's financial position is satisfactory; or
- the regular/ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/date of adhoc sanction.

A bill purchased / discounted by the Bank remaining overdue for a period of more than 90 days will be classified as an NPA.

NPA in respect of derivative transactions, are when the overdue receivables representing positive mark-to-market value of a derivative contract, remain unpaid for a period of 90 days from the specified due date for payment.

NPAs are further classified into sub-standard, doubtful and loss assets based on the days past due criteria stipulated by RBI.

4.7 Definition of Impairment

At periodic intervals, the Bank ascertains if there is any impairment in its assets. If such an indication is detected, the Bank estimates the recoverable amount of the asset. If the recoverable amount of the asset or the cash generating unit, which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

Provisions are made to reflect the risk tendency of the portfolio. Specific provisions are made based on management's assessment of the degree of impairment of the advances/derivative transactions subject to minimum prevailing provisioning norms laid down by RBI

4.8 Restructured Assets

As per RBI guidelines, a viable account facing financial difficulty due to economic/legal reasons can be restructured by grant of concessions including rescheduling and/or resetting principal repayments and/or the interest element, etc. Such restructuring must be separately disclosed as a restructured loan in the year of restructuring and the restructured asset would be subject to the applicable asset classification and provisioning criteria as prescribed by RBI from time to time. A non performing asset, which has been restructured, will become eligible for upgrading to standard category only after satisfactory performance of the terms of restructuring over a specified period of time of minimum one year from the commencement of the first payment of interest or principal installment whichever is later.

4.9 Credit Risk exposures

Total gross credit risk exposure including geographic distribution of exposure

		December 31, 2016			March 31, 2016		
		Domestic	Overseas[2]	Total	Domestic	Overseas[2]	Total
A)	Fund based exposure	149,912,714	-	149,912,714	168,608,023	-	168,608,023
B)	Non fund based exposure[1]	20,580,351	-	20,580,351	36,091,060	-	36,091,060
	Total[3]	**170,493,065**	**-**	**170,493,065**	**204,699,083**	**-**	**204,699,083**

1. Non-fund based exposures are guarantees given on behalf of constituents, letters of credit and acceptances and endorsements and does not include exposures arising on the derivative contracts.
2. Advances/ bills discounted in India against letters of credit issued by banks outside India are considered under domestic exposure.
3. Exposures do not include undrawn limits.

Industry classification of gross loans and advances

	December 31, 2016 (Rs. In 000's)	
Industry classification	**Fund based**	**Non fund based (non derivatives)**
Mining	-	-
Iron and Steel	15,840	-
Other Metal and Metal products	412,263	20,683
All Engineering	845,056	2,136,013
Cotton Textiles	-	-
Other Textiles	27,330	-
Tea	420,159	462,569
Food Processing	137,664	-
Vegetable Oil and Vanaspati	21,943	-
Tobacco and Tobacco Products	152,800	-
Paper and Paper Products	781,961	-
Rubber and Rubber Products	708,276	56,605
Chemicals, Dyes, Paints etc.	11,243,297	388,722

BARCLAYS

Barclays Bank PLC – Indian Branches

(Incorporated in the United Kingdom with limited liability)

	December 31, 2016 (Rs. In 000's)	
Industry classification	Fund based	Non fund based (non derivatives)
Leather and Leather Products	18,000	-
Gems and Jewellery	327,568	-
Construction	62,500	-
Petroleum	3,406,118	-
Automobiles including trucks	24,106	63,099
Computer Software	6,096,858	41,450
Infrastructure	16,155,193	4,942,511
NBFCs & Trading	12,121,513	118,517
Other Industries	160,000	-
Banking Sector	89,054,960	11,363,397
Retail Loans	5,826	-
Residual exposures	7,713,483	986,785
Total	**149,912,714**	**20,580,351**

	March 31, 2016 (Rs. In 000's)	
Industry Classification	Fund Based	Non Fund Based (Non Derivatives)
Mining	680,000	-
Iron and Steel	250,000	-
Other Metal and Metal products	1,410,516	6,737
All Engineering	976,551	1,832,114
Cotton Textiles	-	-
Other Textiles	14,962	-
Tea	217,835	451,197
Food Processing	223,033	-
Vegetable Oil and Vanaspati	15,401	-
Tobacco and Tobacco Products	90,000	-
Paper and Paper Products	970,908	-
Rubber and Rubber Products	1,508,324	184,719
Chemicals, Dyes, Paints etc.	10,908,400	1,563,424
Leather and Leather Products	26,741	-
Gems and Jewellery	-	-
Construction	6,692,058	327,962
Petroleum	4,495,327	-
Automobiles including trucks	50,000	8,635
Computer Software	6,127,144	40,666
Infrastructure	29,330,192	5,049,709
NBFCs & Trading	12,185,500	-
Aviation	6,294,225	-
Other Industries	871,000	-
Banking Sector	80,678,527	25,846,839
Retail Loans	7,628	-
Residual exposures	4,583,749	779,058
Total	**168,608,023**	**36,091,060**

BARCLAYS

Barclays Bank PLC – Indian Branches

(Incorporated in the United Kingdom with limited liability)

Exposure to industries in excess of 5% of the total exposure

	December 31, 2016 (Rs. In 000's)	
Industry Classification	**Fund Based**	**Non Fund Based (Non Derivatives)**
Banking Sector	89,054,960	11,363,398
Infrastructure	16,155,193	4,942,511
NBFC & Trading	12,121,513	118,517
Chemicals, Dyes, Paints etc.	11,243,297	388,722
Residual exposures	7,713,483	986,785

	March 31, 2016 (Rs. In 000's)	
Industry Classification	**Fund Based**	**Non Fund Based (Non Derivatives)**
Banking Sector	80,678,527	25,846,839
Infrastructure	29,330,192	5,049,709
NBFCs & Trading	12,185,500	-
Chemicals, Dyes, Paints etc.	10,908,400	1,563,424

Residual contractual maturity breakdown of assets as at December 30, 2016

Maturity buckets	Cash and Balances with Reserve Bank of India	Balances with Banks and Money at Call and Short Notice	Investments	Advances	Fixed Assets	Other Assets	Total
1 day	2,574,780	239,529	15,363,677	1,224,536	-	642,644	20,045,166
2 to 7 days	-	-	9,879,163	12,479,099	-	72,612	22,430,874
8 to 14 days	-	-	5,320,788	3,094,851	-	-	8,415,639
15 to 30 days	854,773	-	3,326,475	21,443,538	-	-	25,624,786
31 days to 2 months	1,316,151	-	5,006,722	10,471,019	-	974,050	17,767,942
2 to 3 months	1,218,101	-	4,650,591	19,389,248		2,319,956	27,577,896
3 to 6 months	706,779	-	3,228,313	27,112,509	-	66,318	31,113,919
6 to 12 months	135,204	23	1,741,281	35,814,067	-	32,475	37,723,050
1 to 3 years	150,994	100	3,189,735	15,627,293	-	2,128,018	21,096,140
3 to 5 years	125,424	-	549,930	773,475	-	246,695	1,695,524
Over 5 years	146,100	-	650,615	2,262,190	251,958	55,725,006	59,035,869
Total	**7,228,306**	**239,652**	**52,907,290**	**149,691,825**	**251,958**	**62,207,774**	**272,526,805**

BARCLAYS

Barclays Bank PLC – Indian Branches

(Incorporated in the United Kingdom with limited liability)

Residual contractual maturity breakdown of assets as at March 31, 2016

Maturity buckets	Cash and Balances with Reserve Bank of India	Balances with Banks and Money at Call and Short Notice	Investments	Advances	Fixed Assets	Other Assets	Total
1 day	1,095,063	1,460,830	24,728,063	114,387	-	1,324,830	28,723,173
2 to 7 days	-	1,125,251	44,718,727	2,248,972	-	29,307	48,122,257
8 to 14 days	-	-	13,777,465	7,570,329	-	2,676	21,350,470
15 to 30 days	1,016,630	107,000	2,859,002	14,729,421	-	1,732	18,713,786
31 days to 3 months	1,190,454	-	3,347,835	13,524,490	-	3,583,534	21,646,312
3 to 6 months	441,367	-	1,241,228	47,569,457	-	-	49,252,052
6 to 12 months	510,009	-	1,434,264	59,015,056	-	22,203	60,981,532
1 to 3 years	220,154	123	619,125	13,679,241	-	2,593,678	17,112,321
3 to 5 years	161,027	-	452,845	3,736,007	-	437,297	4,787,176
Over 5 years	131,260	-	538,498	4,571,234	333,115	49,059,113	54,633,220
Total	**4,765,964**	**2,693,204**	**93,717,052**	**166,758,594**	**333,115**	**57,054,370**	**325,322,299**

BARCLAYS

Barclays Bank PLC – Indian Branches
(Incorporated in the United Kingdom with limited liability)

Movement of NPAs and provision for NPA (loans and advances portfolio)

Particulars	December 31, 2016	March 31, 2016
Amount of NPAs (Gross)	**224,384**	**1,855,148**
- Substandard	-	-
-Doubtful	5,825	1,808,955
- Doubtful 1	-	7,625
- Doubtful 2	5,825	1,763,853
- Doubtful 3	-	37,477
- Loss	218,559	46,193
Net NPAs	**3,495**	**5,719**
NPA Ratios		
- Gross NPAs to gross advances	0.15%	1.10%
-Net NPAs to Net advances	0.00%	0.00%
Movement of NPAs (Gross)		
-Opening balance as on 1st April 2016	1,855,148	3,110,591
-Additions	-	34,788
-Reductions	(1,630,764)	(1,290,232)
-Closing balance as on 31st December 2016	**224,384**	**1,855,148**
Movement of provision for NPAs		
-Opening balance as on 1st April 2016	**1,849,429**	**3,079,017**
-Provision made during the year	796	58,116
-Write –offs / write back of excess provisions	(1,629,336)	(1,287,704)
-Closing balance as on 31st December 2016	**220,889**	**1,849,429**

Movement in provision

	December 31, 2016		March 31, 2016	
	General Provision*	Specific Provision	General Provision*	Specific Provision
-Opening balance	**1,411,761**	**1,849,429**	**1,368,713**	**3,079,017**
-Provision made during the period	3,596	796	43,048	58,116
-Write –offs / write back of excess provisions	(17,630)	(1,629,336)	-	(1,287,704)
-Closing balance	**1,397,727**	**220,889**	**1,411,761**	**1,849,429**

*Movement in General Provision is only on account of provision on unhedged foreign currency exposure.

Details of write-offs and recoveries

	December 31, 2016	March 31, 2016
Write-off that have been booked directly to the income statement	**1,625,392**	**NIL**
Recoveries that have been booked directly to the income statement	**56,429**	**7,892**

BARCLAYS

Barclays Bank PLC – Indian Branches

(Incorporated in the United Kingdom with limited liability)

Major Industry-wise NPAs, provisions and write-off as of December 31, 2016

Industry Classification	NPA	Provisions	Write-off
Chemicals Dyes & Paints	176,059	176,059	428,436
Infrastructure	42,500	42,500	346,336
Computer Software	-	-	197,610
Rubber & Rubber Products	-	-	116,968
Retail Sector	5,825	2,330	-
Other Industries	-	-	500,000
Residual Exposures	-	-	37,459
TOTAL	**224,384**	**220,889**	**1,626,829**

Major Industry-wise NPAs, provisions and write-off as of March 31, 2016

Industry Classification	NPA	Provisions	Write-off
Chemicals Dyes & Paints	604,495	604,495	-
Infrastructure	390,970	390,970	368,335
Computer Software	197,612	197,612	332,023
Rubber & Rubber Products	116,969	116,969	-
NBFC & Trading	37,477	37,477	432,805
Retail Sector	7,625	1,906	-
Paper & Paper Products	-	-	22,713
Other Metal and Metal products	-	-	47,616
Other Industries	500,000	500,000	-
TOTAL	**1,855,148**	**1,849,429**	**1,203,492**

NPIs and movement of provision for depreciation on investments

	December 31, 2016	March 31, 2016
Amount of non-performing investments	-	-
Amount of provision held for non – performing investments	-	-
Movement of provisions for depreciation on investments		
-Opening balance	-	34,026
-Provision made from during the year	51,048	-
-Write –offs	-	-
-Write back of excess provisions	-	(34,026)
-Closing balance	**51,048**	-

5. CREDIT RISK: Disclosure of portfolio subject to standardised approach (Table DF-4)

The Bank is using issuer ratings and short-term and long-term instrument ratings which are assigned by the accredited rating agencies viz. assigned by CRISIL, CARE, ICRA , Fitch and Brickworks and published in the public domain to assign risk-weights in terms of RBI guidelines. In respect of claims on non-resident corporate and foreign bank, ratings assigned by international rating agencies i.e. S&P, Moody's and Fitch are used for assigning the risk weights.

- With respect to short term exposures, short term ratings are assigned wherever available for the facilities extended by the Bank.

- In case, ratings are not available for the facilities extended, ratings as applicable for the other facilities of the counterparty are assigned. The applicable risk weight would be one notch higher. However, mingling of fund based and non-fund based facilities is not permitted.

- Similarly for derivative trades with original maturity equal to or less than one year, and where issue-specific short term rating is not available, the applicable risk weight would be one notch higher as would be applicable for issue-specific short term rated facility.

- In case of long term exposures, ratings of the facilities, if available is assigned, else the rating of other facilities of the same counterparty is applied. Further, if facilities ratings are not available, then counterparty rating is applied.

- Cash Credit / Overdraft/ Short Term Loan exposures shall be considered as long term exposures and treatment applicable to long term exposures shall be applied. Since short term loans typically get rolled over on a conservative basis the same would be assigned long term ratings even though their original maturity is less than one year.

- The claims on banks incorporated in India and foreign bank branches in India is risk weighted based on the Common Equity Tier 1 capital of that bank, as per the RBI guidelines. In respect of claims on non-resident corporate and foreign bank, ratings assigned by international rating agencies i.e. S&P, Moody's and Fitch are used for assigning the risk weights.

Details of credit risk exposure based on risk-weight

(Rs. In 000's)

Description	December 31, 2016	March 31, 2016
Outstanding net loans and advances (rated and unrated) :	**149,691,919**	**166,758,594**
-Below 100% risk weight	109,280,597	105,540,162
-100% risk weight	36,207,290	56,897,028
-More than 100% risk weight	4204,032	4,321,405
-Deductions	NIL	NIL
* The above comprises of Net loans and advances as reported to RBI in regulatory filings		

6. **LEVERAGE RATIO:**

The leverage ratio act as a credible supplementary measure to the risk based capital requirement. The Basel III leverage ratio is the capital measure (Tier-1 capital) divided by the exposure measure, with this ratio expressed as a percentage. The Bank's leverage ratio as at December 31, 2016, calculated in accordance with the RBI guidelines is as follows:

Tier 1 Capital (A)	56,239,236
Exposure Measure (B)	418,450,042
Leverage Ratio (A/B)	**13.44%**