

YES BANK LIMITED

DISCLOSURES UNDER THE BASEL III CAPITAL REGULATIONS

December 31, 2018

The RBI guideline on 'Basel III Capital Regulation' was issued on May 2, 2012 for implementation in India in phases with effect from April 1, 2013 and to be fully implemented by March 31, 2020. YES Bank is subject to the RBI Master Circular on Basel-III Capital Regulations, July, 2015 and amendments thereto issued on time to time basis by RBI. The Basel III framework consists of three-mutually reinforcing pillars:

- Pillar 1 - Minimum capital requirements for credit risk, market risk and operational risk
- Pillar 2 - Supervisory review of capital adequacy
- Pillar 3 - Market discipline

Market discipline (Pillar 3) comprises a set of disclosures on the Capital Adequacy and Risk Management framework of the Bank. Pillar 3 disclosures as per RBI master circular on Basel-III Capital Regulations are set out in the following sections for information.

1. Capital Adequacy

The Bank has a sound and comprehensive policy and process for evaluating its overall capital adequacy commensurate with the overall risk profile, business projections and capital management strategies.

The Bank is subject to the Capital adequacy norms as per Master Circular on Basel-III Capital Regulations issued by the Reserve Bank of India ('RBI'). The Basel III capital regulation is being implemented in India from April 1, 2013 in phases and it will be fully implemented as on March 31, 2020. In view of the gradual phase-in of regulatory adjustments to the capital components under Basel III, certain specific prescriptions of Basel II capital adequacy framework shall also continue to apply till March 31, 2017.

As at December 31, 2018, the capital of the Bank is higher than the minimum capital requirement as per Basel-III guidelines.

The Bank currently follows Standardized Approach for Credit Risk, Standardized Duration Approach for Market Risk and Basic Indicator Approach for Operational risk capital charge computation.

The Bank has a Board approved policy on Internal Capital Adequacy Assessment Process (ICAAP) as stipulated by RBI. The ICAAP also details the Risk Appetite of the Bank, assessment of material risks, the process for capital adequacy assessment to support business projections / risks for a period of 3 years, risk thresholds, adequacy of risk control framework, capital raising plans and Bank-wide stress testing.

The Bank has implemented a Board approved Stress Testing Framework which is also an integral part of the Bank's ICAAP. The Bank conducts Stress Testing on periodic basis to assess the Bank's potential vulnerability to extreme but plausible stressed business conditions in various risk areas.

The periodic assessment of bank's performance against the Risk Appetite defined under ICAAP and results of stress testing are reported to Risk Monitoring Committee of the Board and the Board of Directors on quarterly basis for their review.

The integration of risk assessment with business processes and strategies governed by a robust risk management framework under ICAAP enables the Bank to effectively manage risk-return trade off.

₹ in Lacs

Capital adequacy	Standalone	Consolidated
A. Capital requirements for Credit Risk		
i. Portfolios subject to Standardized Approach	29,23,037	29,23,695
ii. Securitization Exposures	-	-
B. Capital requirements for Market Risk	2,05,740	2,05,740
Standardized Duration Approach		
Interest rate risk	161,110	161,110
Foreign exchange risk (including gold)	7,341	7,341
Equity risk	37,289	37,289
C. Capital requirements for Operational Risk		
Basic Indicator Approach	2,01,173	2,02,207
D. Total and Tier I Capital Adequacy Ratio		
Common Equity Tier 1 Capital Ratio(CET1)	8.1%	8.2%
Tier I Capital Adequacy ratio	11.0%	11.1%
Total Capital Adequacy ratio	16.3%	16.4%

2. Risk Management Framework

YES BANK inculcates and nurtures a conscientious risk culture, underpinned by a clear governance structure, incorporating the 'Three lines of Defense'. The Bank has institutionalized a principled approach towards taking risks responsibly with a shared understanding of Risk Appetite which is embedded in the organization-wide controls.

The risk management framework at YES Bank is driven by a well informed and knowledgeable Board (comprising of several Independent directors) and Senior Management. The Board has the overall responsibility for risk management and risk strategies in the Bank. There are two Board level sub-committees (Risk Monitoring Committee and Audit Committee) to deal with risk management related specific matters and has delegated powers for different functional areas.

Risk Monitoring Committee is a Board level sub-committee and is an independent body that puts in place specific policies and procedures for managing Enterprise Wide Risk Management of the Bank, as per RBI's Guidance Note on the same.

Audit Committee is also a Board level sub-committee which oversees the internal audit and compliance function. The Internal audit function is responsible for the independent review of risk management and the control environment.

In addition to the committees outlined above, the Bank has in place a Board Credit Committee (BCC) which is a Board level sub-committee that is responsible for approving credits beyond a certain threshold, as defined in the Bank's Board approved Credit Policy. The thresholds for credit approval and the composition of this Committee are approved by the Board. The BCC will also review specific cases that may need special attention as and when recommended by the Management Credit Committee.

Senior Management Oversight

The following specialized committees comprising Top and Senior management personnel ensure oversight and effective implementation of the overall Risk Management Framework:

- **Management Credit Committee (MCC):** This committee comprises MD&CEO, CRO, Risk Heads, Business Heads and Product Heads and is responsible for approval of cases based on exposure and internal rating thresholds defined in the Board approved credit policy. It is also responsible for reviewing and recommending actions on rating trends, event based portfolio actions, thematic/sectoral reviews, reviews of stressed accounts/NPAs, credit policy related recommendations to the RMC/Board, etc.
- **Executive Credit Committee (ECC):** The Executive Credit Committee of the Bank is chaired by the CRO and comprises CRO, National Credit Head and executives from Risk/Business/Product teams designated as EVP & Above. It is responsible for approval of cases based on exposure and internal rating thresholds defined in the Board approved credit policy.

- **Retail & Business Banking Credit Committee:** The Committee is headed by the Group President & National Head Credit Risk Management –Retail and Business Banking. The Committee discusses and approves credit proposals in Retail Banking and Business Banking segments.
- **Asset Liability Committee (ALCO):** The ALCO is a strategic decision making body, constituted by the Board. The Committee is headed by the Managing Director & CEO and comprises other senior executives of the Bank. It is responsible for recommending prudent Asset Liability Management policies to the Board to achieve the strategic goals of the Bank. ALCO is responsible for managing market risk, liquidity risks as well as capital position of the Bank from a strategic risk return perspective while operating in full compliance with existing regulatory guidelines along with model risk for ALM and financial market models.
- **Investment & Financial Market Management Committee:** The ALCO has set up an Investment & Financial Markets Management Committee as its sub-committee comprising representatives from Financial Markets, Market risk and Finance. The Investment & Financial Markets Management committee is responsible for formulating strategy to manage accounting and economic risk along with monitoring of Investments & Forex & Derivative Portfolio in Financial Markets.
- **Operational Risk Management Committee (ORMC):** ORMC, chaired by the CRO, comprises top management from Operations, Business and Support Units. The Committee is responsible for development, implementation and monitoring of the Operational Risk Management Framework, review of risk profile and Key Risk Indicators of Units and review Operational Loss and events suffered by the Bank.
- **Fraud and Suspicious Transaction Monitoring Committee (FASCOM):** This committee chaired by the MD&CEO comprises top management including the CRO, COO, Head of Audit, President HCM, General Counsel, and several other key personnel from Client Relationship groups, Product Management and Operations. The committee is responsible for reviewing aspects relating to frauds / suspicious transactions and identifying corrective actions and additional controls, wherever necessary.
- **Outsourcing Management Committee (OMC):** This committee is chaired by the CRO and is responsible for management of risk arising out of outsourcing activities.
- **Reputation Risk Management Committee (RRMC):** This Committee is chaired by MD &CEO and oversees implementation of Reputation risk management policy, management and review Bank's Reputation Risk profile and incidents.
- **Enterprise Risk Management and Capital Management Committee (ERCC):** This Committee is chaired by MD & CEO and oversees enterprise-wide risks including Pillar I and Pillar II risks, ICAAP, Bank-wide stress testing and bank-wide limits monitoring.
- **Product Process Approval Committee (PPAC):** The Product and Process Approval Policy has been designed to Standardized the procedure for Business, Risk and Compliance assessment for approval of new / existing Product Programs etc.

- **Security Council:** Security Council is chaired by Chief Risk Officer (CRO). The committee reviews and approves the IS Sub Policies, Standards & Procedures, and ISMS documentation that defines the management framework. The Security Council is a committee which meets every quarter.
- **Standing Committee on Customer Service:** The Standing Committee on Customer Service is chaired by the MD&CEO. The committee evaluates feedback on the quality of customer service rendered, ensures implementation of various circulars released by the regulators, make recommendations on unresolved grievances referred by various functional heads. A report on its performance is submitted to the Customer Service Committee of the Board at regular intervals.
- **IT Steering Committee:** The Committee is chaired by CFO and Co-Chaired by CIO. The role of the committee include providing guidance on IT Strategy, resolving strategic level issues and risk, advice and guidance on business issues facing IT, approve technology policies.
- **Steering Committee for IFRS (Ind AS):** The Committee comprises CFO (Chairman), CRO, COO, CIO and members of the Top Management from Financial Management, Risk Control and Treasury Operations. The Committee oversees IFRS (Ind AS) implementation in the Bank, and provides guidance on critical aspects of the implementation such as Ind AS technical requirements, systems and processes, business impact, people and project management. The Committee closely reviews progress of the implementation.
- **Model Assessment Committee (MAC):** The committee is responsible for reviewing and approving/recommending to RMC/Board for approval of Credit Risk models (based on model materiality). The Committee also provides its decision on proposed deployment strategy of the models along with guidance on any technological or risk -related issues pertaining to new model development, validation and deployment.
- **Whistle Blower Committee:** The committee ensures effective implementation of Whistle blower Policy, facilitating secure and anonymous communication between the Bank and Whistle Blower through an independent online reporting service and safeguarding whistle blower against victimization. The Committee decides whether the concern raised should be dealt under the Whistle Blower Policy or any other policy prevalent under the Bank. It provides for independent investigation by appointing independent investigator (individual/committee) who submits the report to the committee. The committee endeavors to foster a culture of responsible reporting of matters elucidated in the policy such as breach of Bank's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, health & safety, environmental issues and wastage/misappropriation of bank funds/assets, etc., without fear of reprisals. The Whistle Blower Committee comprises of Head - Human Capital Management, Head - Audit & Compliance, Chief Risk Officer and Chief Financial Officer.
- **RBS - Reporting Oversight Committee:** Under the Risk Based Supervision (RBS) process, integrity and quality of data is of paramount importance. In the direction of ensuring the integrity and quality of data being submitted to RBI under Tranche I and IA, the Risk Based Supervision Reporting Oversight Committee(R-ROC) was formed. The R-ROC ensures the accuracy of the data submitted under Tranche I and IA, data submitted is consistent in terms of the definitions, Maker-Checker process is followed by the team for their respective

points and updation of Process Flow Documents in case of any changes in the method of computation.

- **Apex Management Committee:** AMCOM is the forum through which the Bank's top management focuses on Governance aspects and provides continuous guidance to ensure that Bank's Governance Control measures are relevant in the prevalent business scenario, and further Compliance Culture at the Bank by ensuring effective and efficient Governance & Oversight, thereby leading to highest standards of Management Governance at the Bank. Apart from the above, the role of AMCOM is to provide internal governance framework for RBI's Risk Based Supervision (RBS) process and authorize submissions under RBS. AMCOM is chaired by the MD&CEO. The other members include CFO, CRO, COO, Group Chief Compliance and Vigilance Officer, Group Head HCM, Group Heads of Wholesale and Retail Businesses.
- **Strategy Management Committee:** The Committee is chaired by the MD & CEO. The Committee is responsible for articulating the strategic projects for the Bank with short term and long term milestones. Review annual Bank-wide strategic plan for Business, Operations and Support functions and projections for 3/5 years. New strategic initiatives of the Bank for Business growth and managing associated risks. Review of strategic key performance indicators on a periodic basis and recommendations for corrective actions for aligning performance with strategic plans.
- **Committee for Classification of Wilful Defaulters:** This Committee is chaired by the Chief Risk Officer and comprises top management personnel including General Counsel, Chief Operating Officer, Business Heads and Risk Heads. The Committee is responsible for approving classification of borrowers as willful defaulters/non co-operative and recommending to the Board Committee on Wilful Defaulters and Non Co-operative Borrowers for its final approval. For borrowers classified as willful defaulters by the Bank, the Committee is also responsible for deciding whether to publish the borrower's photographs or not in line with RBI guidelines.
- **Business Continuity Management Committee:** Business Continuity Management Committee (BCMC) is a Sub Committee of Operational Risk Management Committee (ORMC) consisting of Senior Management of the Bank for implementation and ongoing review of Business Continuity and Disaster Recovery practices. The committee has the responsibility to ensure development, implementation and monitoring of the Business continuity and Disaster Recovery Framework throughout the Organization, Vendor BCP/DR adequacy.
- **Disciplinary Committee:** The Policy on Executive Accountability, Discipline & Appeal Regulation is formed to promote the highest standards of ethical conduct and compliance with regulations and YBL Code of Conduct. It also provides a fair and transparent disciplinary process for dealing with all cases of non-compliance/violation of Code of Conduct and ensures consistent and fair treatment of all executives and encourage adherence to standards of conduct / behavior, which support the efficient and effective operation of the Bank. The Disciplinary Committee is formed under the aforementioned policy and comprises of three levels viz. up to Middle Management, Senior Management and Top Management (basis the level of the executive against whom a complaint has been reported). The Committee is authorized to inquire into alleged breaches within YES BANK and recommend staff action to be taken against the alleged executive.

- **Staff Accountability Committee:** The bank has a Policy of Staff Accountability Review (“SAR”) to identify the causative factors for failure of Borrowable accounts / Investments (that have become distressed assets for the Bank) and to take appropriate corrective action for minimizing, if not eliminating, systemic failures and staff failures. The Staff Accountability Committee (“SAC”), is a forum of independent management heads, who will review and oversee the SAR process and take decisions on the staff accountability in the identified cases. The SAC is chaired by the MD&CEO. The other members include Group Head (FM, BSMG, BDTS, Digital Banking, TBG & LPM), Group Chief Compliance and Vigilance Officer, Group Head HCM, National Head - Internal Audit, Chief Compliance Officer and a Business Unit Head from an alternate department with credit experience.

Risk Management Unit at YES BANK

The Risk Management Department (RMD) is delegated specific responsibilities of managing the risk in the Bank by the RMC. The Risk Management Department is headed by the Chief Risk Officer (CRO) who leads the Credit Risk Unit, General Legal Counsel and other Risk Units. The CRO reports to the MD&CEO. Credit Risk Unit is responsible for evaluating, rating and underwriting credit under respective Credit Risk Heads. Other Risk Units such as Market Risk, Operational Risk, Enterprise Risk Management Unit, Information Security, Portfolio Analytics Unit, Credit Risk Policy Unit, Credit Intelligence & Analytics and Risk Containment Unit are responsible for independent review, monitoring and reporting of all risk parameters and to take appropriate corrective actions where necessary. These units are also responsible for ensuring compliance to internal policies and regulatory guidelines.

Responsibility Profile of RMD

- a. **Chief Risk Officer (CRO):** The Chief Risk Officer (CRO) is responsible for the overall Risk Governance and Supervision. CRO ensures effective implementation of an enterprise wide risk management framework and risk culture through risk policies, processes, thresholds and controls that enables prompt risk identification, accurate risk measurement and effective risk mitigation. CRO is also responsible for risk compliance and monitoring as well as reviewing and presenting various risk reports, policies and dashboards to RMC and Board.
- b. **General Legal Counsel** is responsible for ensuring legal compliance of applicable laws, ensuring documentation entered into by the Bank is legally valid and enforceable; and filing and defending legal suits for and on behalf of the Bank.
- c. **Credit Risk Units:** These units under the supervision of their respective National Credit Heads are responsible for assessment of the credit proposals. The Credit Risk Heads are also responsible for managing the overall segment portfolio and undertaking remedial actions/ thematic reviews as required.
- d. **Other Risk Unit (s):** Independent unit(s) responsible for review, monitoring and reporting of all risk parameters and taking appropriate corrective actions where necessary.

The Units are also responsible for ensuring compliance to internal policies and regulatory guidelines. The various units are given below:

- i. **Information Security Unit** – The Unit is responsible for ensuring compliance with and implementation of Information Security Management System and ensuring that sufficient measures are taken to protect the Bank’s Information assets.
- ii. **Enterprise Risk Management Unit (ERM Unit)** – The Unit is responsible for implementation of ERM, Risk Aggregation, Risk based pricing, Pillar II Risk assessment of – Reputation Risk, Concentration risk etc, BASEL II / III compliance, ICAAP review, and Bank wide Stress testing.
- iii. **Operational Risk Unit** - The Unit is responsible for identification, assessment and monitoring of Operational Risk of the Bank including Outsourcing Risk and Business Continuity Preparedness. The Unit is also responsible for implementation of best practices and migration to advanced approaches for capital charge computation.
- iv. **Market Risk:** Responsible for the independent market risk and liquidity risk analysis and monitoring. Key functions of the team involve Policy review, limits review, Risk Modeling and Analytics, implementation of BASEL guidelines towards Interest Rate Risks in Trading as well as Banking Book, Liquidity Risk and Counterparty Credit Risk in Financial Market products.
- v. **Portfolio Analytics Unit (PAU)** - The Unit is responsible for monitoring the entire credit portfolio across all segments including monitoring of early warning signals, identifying portfolio trends and generating portfolio level MIS covering various credit quality indicators across various business units of the Bank. This unit is also responsible for submission of credit risk data to internal and external stakeholders.
- vi. **Credit Risk Policy Unit (CRPU)** – The Unit is responsible for independently reviewing the Bank’s credit policies and programs. The credit rating model (IRS) and related policies are also managed and enhanced on a continual basis by this team. It is also responsible for the Bank’s migration to IRB approach under Credit Risk and for scorecard development /implementation/testing for retail / program based lending. The unit is also responsible for Expected Credit Loss (ECL) computation under Ind AS.
- vii. **Credit Intelligence & Analytics (CIA)** – The team supports different subunits within the Retail Banking Credit Risk vertical in their data analytics requirements. The unit is responsible for building and implementing scorecards, behavior scoring models for portfolio management, fraud identification models, etc. as well as for digital transformation of reporting.
- viii. **Risk Containment Unit** – The Unit is responsible for proactive fraud anticipation & control, diagnostics / interpretation and resolutions for the Bank’s SME and retail business segments. The unit is further responsible for implementation of adequate measures to avert fraud and improving process transparency for the minimization or elimination of frauds to the largest extent possible. The Unit is also responsible for

preparing regular reports on fraud control through both financial and non financial means, and managing various vendor agencies responsible for fraud control.

2. 3. Credit Risk

Credit Risk Management Objectives, Processes and Structure (CRM):

The **Credit Risk Management Department (CRMD)** within the RMD consists of the Credit Risk Unit and the following Risk Control Units:

- Portfolio Analytics Unit (PAU)
- Credit Risk Policy Unit (CRPU)
- Credit Intelligence & Analytics (CIA)
- Risk Containment Unit.

The main role and responsibilities of CRMD includes:

- a. Measuring, controlling, reviewing and managing credit risk on Bank-wide basis within the limits set by the Bank's Board of Directors/RMC/ RBI.
- b. Enforcing compliance with the credit risk parameters and credit exposure/ concentration limits set by the Board of Directors/ RMC/RBI.
- c. Laying down credit risk assessment systems and developing MIS, monitoring quality of loan/ investment portfolio, identifying problems, correcting deficiencies and undertaking loan review/audit.
- d. Conducting a complete risk analysis of the proposed obligor/ facility before approval of the credit
- e. The CRMD is also responsible for monitoring the quality of the entire loan/ investment portfolio and undertaking portfolio evaluations and conducting comprehensive studies to test the resilience of the loan portfolio.

Policies & Processes

The Bank's Credit Policy, approved by the Board, outlines the credit risk governance framework. The objective of the Bank's Credit Policy is to build and maintain a quality portfolio with sound and well-diversified credit risk distribution. Credit Risk Management is an important tool for achieving this objective, as it helps the Bank to:

- Take informed credit decisions based on an adequate assessment of the relevant risk factors
- Screen credit proposals and assume only such credit risk that is acceptable to the Bank to ensure better credit quality

- Optimise the risk return trade-off by providing guidelines for securing return commensurate with the risk involved in the credit
- Ensure diversification of the credit portfolio through various Board approved limits thus avoiding concentration in credit exposures to individual/ group borrowers, industry/ sector, credit rating, etc
- All these limits are monitored continually and reported to Senior Management on monthly basis and to the RMC/Board on quarterly basis

Risk identification and assessment is the first step in the credit risk management system. In case of wholesale segment, credit risk inherent in credit proposal is assessed by evaluating the below mentioned risk factors among others:

- **Financial Risk:** This would include an assessment of the entity's overall financial strength based on performance and financial indicators, as derived from its financial statements -historical and projected
- **Business Risk:** This entails an analysis of the fundamentals of the business unit, its competitive market position in the industry and its operational efficiency
- **Industry Risk:** This would include an evaluation of the competition/ entry barriers, industry cyclicity/outlook, regulatory risk/government policies and other contemporary issues
- **Management Risk:** This involves evaluation of the management of the enterprise, their risk philosophy, competence and past track record
- **Project Risk:** This involves evaluation of any significant project being undertaken by the company and its impact on the financials of the company.
- **Conduct of Account:** This involves evaluation of the credit behavior of the client with the bank

The creditworthiness and assessment of credit requirement are evaluated and determined in line with the risk rating of the borrower and the credit facilities are sanctioned accordingly. Borrowers in the Bank's credit portfolio which do not fall under the purview of rating models are scored/originated under a product program.

Credit Proposals are approved either through a Committee approach or through Joint Delegation, depending on rating and exposure thresholds outlined in the Bank's Credit Policy.

In case of retail assets segment, the Bank has various products programs in line with the relevant product needs of customers. The product programs generally address areas such as customer segmentation, exposure ceilings, approval authorities, exception reporting and risk assessment parameters like acceptable loan-to-value, maximum tenor & financial parameters. The product programs are cognizant of relevant regulatory guidelines, internal credit policy, market dynamics, bank's activities etc.

Credit Risk Identification, Measurement, Monitoring and Reporting

The credit risk management function is largely centralized for both credit approvals and disbursements. It is well structured and staffed to ensure that the credit policy and regulatory

requirements are adhered to and implemented. Post sanction, an independent Risk Control and Administration unit is responsible for ensuring that the credit policy guidelines and terms of sanction are adhered to.

The Bank has a risk rating system comprising multiple models that assign credit ratings to customers. The models are categorized into Corporate, Financial and Project models which assign ratings to the borrowers based on financial data, industry characteristics, business positioning, project characteristics and other non financial parameters. Model Validation is carried out by objectively assessing the discriminatory power and stability of ratings. All the models have defined hurdle ratings, and lending to borrowers below the hurdle rating requires specific approvals as per the Credit Policy of the Bank. The core banking system is used to control and monitor utilization of limits under various products by customer and is also the repository for information on past dues and excesses. There is also a post disbursement tracking system that is used for monitoring appraisal conditions, financial covenants, documentation status etc. Borrowers in the Bank's credit portfolio which do not fall under the purview of rating models would be scored/originated under a product program.

The borrowers are reviewed at least on an annual basis. The analysis carried out during annual review would reflect not only the performance of the company but also the conduct of the account.

Credit Monitoring involves follow-up and supervision of the Bank's individual loans as well as the entire loan portfolio with a view to maintain the asset quality at the desirable level, through proactive and corrective actions, aimed at controlling and mitigating the risks to the Bank. The main objectives of Credit Monitoring are:

- (a) To ensure compliance with the terms and conditions of the credit sanctioned
- (b) To ensure the end-use of the Bank funds by the borrowers as per the approved purposes and prevent diversion of the funds for unauthorized purposes
- (c) To assess the health of the obligor at periodic intervals with reference to the key indicators of performance such as activity level, profitability, management standards
- (d) To identify early warning signals, if any, in individual accounts and initiate effective steps to mitigate the risk to the Bank, in consultation with the Segment Head and Risk Management Department
- (e) To periodically review the loan portfolio of the Bank or of its specified segment to assess the overall asset quality/ risk and compliance with the prudential norms

For retail banking borrowers, controls in loan underwriting are as enumerated in the respective product programs which are approved by the Bank's Product Program Approval Committee (PPAC) comprising Business, Risk, Compliance, Technology & Strategy leadership. Moreover, for granular lending cases where risk decision making is decentralized, the Bank practices hindsighting of the approved cases for the preceding quarter.

Policies for Mitigating Credit Risk

Security management is instrumental in mitigating credit risk. It involves creation of enforceable charge over the borrower/third party assets in favour of the Bank, proper valuation/storage/maintenance and insurance of the securities so charged at regular intervals, in order that the Bank's advances/loans remain fully covered by the realizable value of the securities charged to it. Further, the charged securities are valued at periodic intervals and stipulated margins are maintained at all times.

Definition and Classification of Non Performing Assets (NPA)

The Bank classifies its outstanding into performing and non-performing in accordance with the extant RBI guidelines.

A Non Performing Advance (NPA) is defined as a loan or an advance where:

- i. interest and/ or installment of principal remains overdue for more than 90 days in respect of a term loan. Any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the Bank
- ii. a bill purchased/ discounted by the Bank remains overdue for a period of more than 90 days
- iii. interest and/or installment of principal in respect of an agricultural loan remains overdue for two crop seasons for short duration crops and one crop season for long duration crops
- iv. the regular/ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/ date of ad hoc sanction
- v. the account remains 'out of order' in respect of an overdraft/ cash credit (OD/CC). An account is treated as 'out of order' if:
 - a) the outstanding balance remains continuously in excess of the sanctioned limit/drawing power, or
 - b) 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 are not enough to cover the interest debited during the same period,
- vi. Drawings have been permitted in working 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,
- vii. An account would be classified as NPA if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter,
- viii. The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of guidelines on securitisation dated February 1, 2006

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

The Bank's loan portfolio is classified into 4 categories of assets as per extant RBI guidelines as follows:

- Standard Assets: These are Performing assets (or Non- NPAs)
- Non-Performing Assets (NPAs):
 - Sub-standard Assets: i.e. an asset which remains irregular/out of order /overdue for more than 90 days and is classified as NPA for a period of 12 months from the date of such classification.
 - Doubtful Assets: i.e. an NPA that remains Sub-standard Asset for a period of >12 months,
 - Loss Assets: An asset that is identified as uncollectible and of such little value that its continuance as a bankable asset is not warranted although there may be some salvage or recovery value.

The Bank has established appropriate internal mechanism for prompt identification of NPA(s).

Total Gross Credit Risk Exposure* Including Geographic Distribution of Exposure*

₹ in Lacs

Type of exposure	Domestic		
	Exposure*	Exposure backed by Lien	Exposure backed by Eligible Guarantees
Fund Based	3,02,27,090	4,74,217	73,877
Non Fund Based**	90,56,478	7,02,220	31,064
Total	3,92,83,567	11,76,438	104,941

₹ in Lacs

Type of exposure	Overseas		
	Exposure*	Exposure backed by Lien	Exposure backed by Eligible Guarantees
Fund Based	24,36,484	1,308	-
Non Fund Based**	119,367	-	-
Total	25,55,851	1,308	-

*Represents book value as at December 31, 2018

**Non-fund based exposures are guarantees given on behalf of the constituents, Letter of Credits, acceptances and endorsements.

Industry type distribution of Exposure* as at December 31, 2018

₹ in Lacs

Industry	Sub Industry	Fund Based Exposure	Fund Based Exposure backed by Lien	Fund Based Exposure backed by Eligible Guarantee	Non Fund Based** Exposure	Lien marked Deposits against Exposures	Non Fund Based Exposure backed by Lien	Total Exposure
All Engineering	Electronics	115,859	1,478	-	78,679	3,379	253	194,538
	Others (All Engg)	410,029	15,225	835	511,912	22,256	1,205	921,941
Basic Metal and Metal Products	Iron & Steel	641,652	3,000	2,350	299,089	8,529	-	940,741
	Other Metal & Metal Products	390,406	6,269	-	373,547	9,236	-	763,953
Beverages (excl. Tea & Coffee)	Beverages (excluding Tea & Coffee) and Tobacco	140,111	2,198	-	11,800	1,117	-	151,911
Cement & Cement Products	Cement & Cement Products	243,812	3,237	-	169,429	1,211	-	413,241
Chemicals and Chemical Products (Dyes, Paints, etc.)	Drugs & Pharmaceuticals	368,804	5,912	479	106,810	3,785	-	475,614
	Fertilizers	36,327	105	-	52,494	32	-	88,821
	Others (Chemical & Chemical Products)	194,917	9,462	-	126,053	6,170	-	320,970
	Petro-chemicals (excluding under Infrastructure)	23,070	508	-	142,608	11,002	-	165,678
Construction	Construction#	1,308,625	10,351	1,242	2,141,419	55,789	5,721	3,450,044
Food Processing	Coffee	93,172	-	-	495	1	-	93,667
	Edible Oils and Vanaspati	78,658	38,025	-	107,920	22,162	-	186,578
	Others (Food Processing)	381,954	16,561	942	47,360	25,235	948	429,314
	Sugar	39,930	31	-	44,004	292	-	83,934
	Tea	85,218	1,585	-	59	48	-	85,277
Gems and Jewellery	Gems and Jewellery	582,675	131,088	50,698	17,706	3,992	-	600,381
Glass & Glassware	Glass & Glassware	25,477	204	-	8,572	146	-	34,049
Infrastructure	Airports	21,683	1,232	-	29,456	4,260	-	51,139

Industry	Sub Industry	Fund Based Exposure	Fund Based Exposure backed by Lien	Fund Based Exposure backed by Eligible Guarantee	Non Fund Based** Exposure	Lien marked Deposits against Exposures	Non Fund Based Exposure backed by Lien	Total Exposure
	Electricity(generation/- transportation & distribution)#	1,846,801	2,939	2,650	1,136,334	32,534	520	2,983,135
	Gas/LNG (storage & pipeline)	4,082	1	-	3,077	25	-	7,159
	Railways	936	-	-	40,151	441	-	41,087
	Roadways	506,872	23,370	-	21,056	1,908	-	527,928
	Social & Commercial Infra.	784,066	2,149	-	82,912	5,420	199	866,978
	Telecommunication	517,276	900	-	393,786	6,633	3,568	911,062
	Water Sanitation	12,326	-	-	2,352	1	-	14,678
	Shipyards	517	-	-	9,168	-	-	9,685
	Gas Pipelines	169	42	-	45,479	-	-	45,648
	Logistics Infrastructure	40,997	-	-	7,674	1,423	-	48,671
	Waterways	390,837	-	6,317	73,349	938	-	464,186
	Inland Waterways	-	-	-	-	-	-	-
Leather & Leather Products	Leather & Leather Products	18,144	83	-	1,863	155	-	20,007
Mining & Quarrying	Coal (Mining & Quarrying)	43,157	355	-	25,332	1,562	-	68,489
	Others (Mining & Quarrying)	99,958	10,689	-	133,249	1,881	-	233,207
Paper & Paper Products	Paper & Paper Products	100,755	1,114	-	28,549	807	-	129,304
Petroleum (non-infra), Coal Products (non-mining) & Nuclear Fuels	Coal Products (non-mining)	23,051	674	-	70,118	3,646	-	93,169
	Petroleum (non-infra) and Nuclear Fuels	355,004	459	-	402,888	1,021	-	757,892
Residuary	Aviation	78,917	6,549	-	193,011	60,219	-	271,928
	Residuary	9,041,679	35,235	86	245,046	217,342	-	9,286,725
Rubber, Plastic &	Plastics & Plastic Products	132,387	1,217	717	65,414	5,538	-	197,801

Industry	Sub Industry	Fund Based Exposure	Fund Based Exposure backed by Lien	Fund Based Exposure backed by Eligible Guarantee	Non Fund Based** Exposure	Lien marked Deposits against Exposures	Non Fund Based Exposure backed by Lien	Total Exposure
	Rubber & Rubber Products	18,944	29	-	3,975	408	-	22,919
Textiles	Cotton	81,013	989	-	16,556	2,286	-	97,569
	Jute	15,417	500	-	1,967	129	-	17,384
	Other Textiles	333,749	16,063	-	44,616	2,732	-	378,365
	Silk	8,497	12	-	470	142	-	8,967
	Woolen	11,088	21	-	4,574	283	-	15,662
Vehicles, Vehicle Parts & Transport Equipments	Vehicles, Vehicle Parts and Transport Equipments	676,906	4,449	-	205,588	5,434	-	882,494
Wood & Wood Products	Wood and Wood Products	33,876	267	-	5,288	439	-	39,164
Other Industries	Other Industries	12,303,774	120,948	7,561	1,642,590	170,231	18,650	13,946,364
	Total	32,663,574	475,525	73,877	9,175,844	702,220	31,064	41,839,418

*Represents book value as at December 31, 2018.

**Non-fund based exposures are guarantees given on behalf of the constituents, Letter of Credits, acceptances and endorsements.

#exceeds 5% of the gross credit exposure (before FD lien netting)

Residual Contractual maturity breakdown of assets				₹ in Lacs
Maturity Bucket	Advances	Investments	Cash, Balances with RBI and other banks	Other assets including Fixed assets
1 day	86,460	930,963	1,585,535	2,144
2 days to 7 days	193,380	560,340	-	12,029
8 days to 14 days	177,464	530,393	-	80,441
15 days to 30 days	368,431	1,119,986	74,493	509,982
Over 1 to 2 months	732,118	282,401	54,408	33,503
Over 2 to 3 months	936,792	324,723	64,780	220,055
Over 3 to 6 months	1,035,040	510,630	88,807	36,765
Over 6 to 12 months	3,083,987	767,706	140,591	142,951
Over 1 year to 3 years	7,858,583	716,788	114,604	273,568
Over 3 years to 5 years	4,775,395	1,603,913	288,662	49,659
Over 5 years	5,136,542	931,539	118,078	839,993
Total	24,384,193	8,279,381	2,529,958	2,201,090

Movement of NPA (Gross) and Provision for NPAs - December 31, 2018

Particulars	₹ in Lacs
A. Amount of NPAs (Gross)	5,15,862
Substandard	3,32,103
Doubtful 1	42,996
Doubtful 2	1,11,606
Doubtful 3	29,156
Loss	-
B. Net NPAs	2,87,635
C. NPA Ratios	
i. Gross NPAs to Gross Advances	2.10%
ii. Net NPAs to Net Advances	1.18%
D. Movement of NPAs (Gross)	
Opening Balance as at April 1, 2018	2,62,680
Additions during the period	4,48,901
Reductions during the period	1,95,719
Closing Balance as at December 31, 2018	5,15,862

The Bank has no Overseas NPA as of December 31, 2018.

Movement of Specific and General Provision as of December 31, 2018.

	₹ in Lacs	
	Specific Provisions	General Provisions
Opening Balance as at April 1, 2018	1,37,468	85,367
Provisions made during the period	1,58,262	18,262
Any other adjustment including transfer between provisions	-	-
Write- offs	32,281	-
Write backs of excess provisions	28,182	-
Closing Balance as at December 31, 2018	2,35,267	1,03,629

The Bank has no Specific provision on overseas exposure as of December 31, 2018.

General Provisions as of December 31, 2018 includes provision on exposure of Bank's unit in International Financial Service Centre (IFSC) set up in Gift City, Gandhinagar.

Details of write offs and recoveries that have been booked to the income statement during the period ended December 31, 2018.

	₹ in Lacs
Write offs that have been recognised in the income statement	32,829
Recoveries from written off accounts recognised in the income statement	1,500

NPI (Gross), Provision for NPI and Movement in Provision for Depreciation on investments - December 31, 2018

Particulars	₹ in Lacs
A. Amount of Non - Performing Investment (NPI)	7,236
B. Amount of provisions held for NPI	7,040
C. Movement of provisions for depreciation on investments	
Opening Balance as at April 1, 2018	36,733
Provision made during the period	46,941
Provision written back on account of sale of Investment and write back.	2,964
Closing Balance as at December 31, 2018	80,709

Major Industries breakup of NPA as of December 31, 2018

Industry	₹ in Lacs	
	Gross NPA	
NPA in top 5 Industries	1,53,087	

Major Industries breakup of Provision as of December 31, 2018

Industry	₹ in Lacs	
	Specific Provision	General Provision
Provision in top 5 Industries	1,11,619	20,428

Major Industries breakup of specific provision and write-off's during the period ended December 31, 2018

Industry	₹ in Lacs	
	Specific Provision	Write offs
Specific Provision / Write off in top 5 Industries	34,323	14,203

4. Credit Risk: Portfolios subject to the Standardized Approach

The Bank is using the ratings assigned by the following domestic external credit rating agencies, approved by the RBI, for risk weighting claims on domestic entities

- Credit Analysis and Research Limited (CARE)
- Credit Rating Information Services of India Limited (CRISIL)
- India Ratings and Research Private Limited (earlier known as Fitch India)
- ICRA Limited (ICRA)
- Brickwork Ratings India Pvt. Ltd
- Acuite Ratings & Research (earlier known as SMERA Ratings Limited)
- Infomerics Rating Agency

The Bank is using the ratings assigned by the following international credit rating agencies, approved by the RBI, for risk weighting claims on overseas entities:

- Standard & Poor's
- Moody's
- Fitch Ratings.

Types of exposures for which each agency is used

- The Bank has used the solicited ratings assigned by the above approved credit rating agencies for all eligible exposures, both on balance sheet and off balance sheet, whether short term or long term, in the manner permitted in the RBI guidelines on Basel II & Basel III as well as New Capital Adequacy Framework (NCAF).
- While arriving at risk-weighted assets for credit risk under the standardized approach 'bank loan' ratings of the counterparty have been used. This would include Fund-based and Non-fund based facilities.

- In case of treasury facilities, the Bank has used 'Issuer' ratings of the counterparties, wherever available.
- The Bank ensures that the external rating of the facility / borrower has been reviewed by the external credit rating agencies at least once in the previous 15 months and is in force on the date of application.
- In case there are two ratings provided by two credit rating agencies that map into different risk weights, the higher risk weight is applied.
- In case there are three or more ratings provided by credit rating agencies mapping to different risk weights. The Bank refers to two lowest risk weights. The rating corresponding to higher of these two risk weights is applied.
- If counterparty has a long term or short term rating that warrants a risk weight of 150%, all unrated claims on the same counterparty whether long term or short term are assigned a risk weight of 150%.
- In case the Bank does not have exposure in a rated issue on long term scale, the Bank would use the issue rating for its comparable unrated long term exposures to the same borrower, provided that the Bank's exposures are pari-pasu or senior and of similar or shorter maturity as compared to the rated issue.
- In case the Bank does not have exposure in a rated issue on short term scale, the Bank would use the issue rating for its comparable unrated short term exposures to the same borrower, provided that the Bank's exposures are pari-pasu or senior as compared to the rated issue. Applicable risk weight will be at least one level higher than the risk weight applicable to rated short term exposure of the borrower.

Details of credit exposures (funded and non funded) classified by risk buckets

The table below provides the break-up of the Bank's net exposures into three major risk buckets.

Risk Weight Bands	₹ in Lacs
Below 100% risk weight	2,27,67,752
100% risk weight	1,24,66,025
Above 100% risk weight	54,27, 896
Total	4,06,61,673

5. LEVERAGE RATIO

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

	₹ in Lacs
Tier I Capital	33,98,941
Exposure Measure	4,63,93,270
Leverage Ratio	7.33%

6. Liquidity Coverage Ratio

		(₹ In Lakhs)	
		Daily Average Q3-FY18	
		Total Unweighted Value	Total Weighted Value
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)		5,243,905
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	7,146,285	693,797
(i)	Stable deposits	416,633	20,832
(ii)	Less stable deposits	6,729,652	672,965
3	Unsecured wholesale funding, of which:	9,084,400	4,056,359
(i)	Operational deposits (all counterparties)	1,105,096	276,274
(ii)	Non-operational deposits (all counterparties)	7,979,304	3,780,085
(iii)	Unsecured debt		
4	Secured wholesale funding	167,351	-
5	Additional requirements, of which	340,430	321,577
(i)	Outflows related to derivative exposures and other collateral requirements	313,542	313,542
(ii)	Outflows related to loss of funding on debt products		
(iii)	Credit and liquidity facilities	26,888	8,035
6	Other contractual funding obligations	675,063	675,063
7	Other contingent funding obligations	16,311,596	618,225
8	Total Cash Outflows	33,725,124	6,365,021
Cash Inflows			
9	Secured lending (e.g. reverse repos)	180,940	-
10	Inflows from fully performing exposures	1,040,656	593,764
11	Other cash inflows	643,191	643,191
12	Total Cash Inflows	1,864,787	1,236,955
21	TOTAL HQLA		5,243,905
22	Total Net Cash Outflows		5,128,066
23	Liquidity Coverage Ratio (%)		102.3%

Item	Particulars	Equity shares	Unsecured Non Convertible Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
1	Issuer	YES BANK	YES BANK
2	Unique identifier	INE528G01019	INE528G09046
3	Governing law(s) of the instrument	Applicable Indian statutes and regulatory requirements	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment		
4	Transitional Basel III rules	Common Equity Tier I	Additional Tier 1
5	Post-transitional Basel III rules	Common Equity Tier I	Ineligible
6	Eligible at solo/group/ group & solo	Solo and Group	Solo and Group
7	Instrument type	Common Shares	Perpetual Debt Instruments
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	4,624.63	460.00
9	Par value of instrument (Rs.)	NA	1,000,000
10	Accounting classification	Shareholder's equity	Liability
11	Original date of issuance	Refer Annexure 1	February 21, 2009
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	No Maturity	NA
14	Issuer call subject to prior supervisory approval	No	Yes
15	Optional call date, contingent call dates and redemption amount	NA	February 21, 2019. Redemption at Par Value
16	Subsequent call dates, if applicable	NA	NA
	Coupons / dividends	Dividend	Coupon
17	Fixed or floating dividend/coupon	NA	Fixed
18	Coupon rate and any related index	NA	10.25%
19	Existence of a dividend stopper	NA	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Partially discretionary
21	Existence of step up or other incentive to redeem	No	Yes
22	Noncumulative or cumulative	Non-Cumulative	Non cumulative
23	Convertible or non-convertible	NA	Non convertible
24	If convertible, conversion trigger(s)	NA	NA
25	If convertible, fully or partially	NA	NA
26	If convertible, conversion rate	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA
30	Write-down feature	No	No
31	If write-down, write-down trigger(s)	NA	NA
32	If write-down, full or partial	NA	NA
33	If write-down, permanent or temporary	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Perpetual debt instruments	The claims of the investor in Tier I Bonds shall be a) Superior to the claims of investors in equity shares, and b) Subordinate to the claims of all other creditors
36	Non-compliant transitioned features	No	Yes
37	If yes, specify non-compliant features	NA	Absence of Loss Absorption feature at pre specified trigger. Absence of PONV Features. Non -Existence of Coupon Discretion

Item	Particulars	Unsecured Non Convertible Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes	UPPER TIER-II instruments in Foreign Currency	Unsecured, Redeemable, Non Convertible Tier II Subordinated Bonds in the nature of Debentures	Unsecured, Redeemable, Non Convertible Tier II Subordinated Bonds in the nature of Debentures	Unsecured Non Convertible Tier I Subordinated Perpetual Bonds in the nature of promissory notes
1	Issuer	YES BANK	YES BANK	YES BANK	YES BANK	YES BANK
2	Unique identifier	INE528G09053	NA	INE528G08139	INE528G08147	INE528G09061
3	Governing law(s) of the instrument	RBI Master Circulars, Companies Act, SEBI Regulations	English Laws	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment					
4	Transitional Basel III rules	Additional Tier 1	Tier 2	Tier 2	Tier 2	Additional Tier 1
5	Post-transitional Basel III rules	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible
6	Eligible at solo/group/ group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Perpetual Debt Instruments	Upper Tier 2 Capital Instruments	Tier 2 Debt Instruments	Tier 2 Debt Instruments	Perpetual Debt Instruments
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	156.00	371.05	208.00	240.00	328.00
9	Par value of instrument (Rs.)	1,000,000	EUR 13.25 million	1,000,000	1,000,000	1,000,000
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	March 9, 2009	September 30, 2009	September 30, 2009	January 22, 2010	March 5, 2010
12	Perpetual or dated	Perpetual	Dated	Dated	Dated	Perpetual
13	Original maturity date	NA	September 30, 2024	April 30, 2020	January 22, 2020	NA
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	March 9, 2019. Redemption at Par Value	September 30, 2019	NA	NA	March 5, 2020. Redemption at Par Value
16	Subsequent call dates, if applicable	NA	Every 6 month on interest reset dates	NA	NA	NA
	Coupons/ dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Floating	Fixed	Fixed	Fixed
18	Coupon rate and any related index	10.25%	6M EURIBOR + 3.80%	9.65%	9.65%	10.25%
19	Existence of a dividend stopper	No	No	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Partially discretionary	Partially discretionary	Mandatory	Mandatory	Partially discretionary
21	Existence of step up or other incentive to redeem	Yes	Yes	No	No	Yes
22	Noncumulative or cumulative	Non cumulative	Cumulative	Cumulative	Cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Nonconvertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	No	No	No	No	No
31	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investor in Tier I Bonds shall be a) Superior to the claims of investors in equity shares, and b) Subordinate to the claims of all other creditors	The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital, Upper Tier II capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital, Upper Tier II capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier I Bonds shall be a) Superior to the claims of investors in equity shares, and b) Subordinate to the claims of all other creditors
36	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes
37	If yes, specify non-compliant features	Absence of Loss Absorption feature at pre specified trigger. Absence of PONV Features. Non -Existence of Coupon Discretion	Absence of Point Of Non Viability Features and Existence of Step up Option	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features	Absence of Loss Absorption feature at pre specified trigger. Absence of PONV Features. Non -Existence of Coupon Discretion

Item	Particulars	Unsecured, Redeemable, Non Convertible Upper Tier II Subordinated Bonds in the nature of Debentures	Unsecured, Non Convertible Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes	Unsecured, Redeemable, Non Convertible Upper Tier II Subordinated Bonds in the nature of Debentures	Unsecured, Redeemable, Non Convertible Lower Tier II Subordinated Bonds in the nature of Debentures	Unsecured, Redeemable, Non Convertible Lower Tier II Subordinated Bonds in the nature of Debentures
1	Issuer	YES BANK	YES BANK	YES BANK	YES BANK	YES BANK
2	Unique identifier	INE528G08154	INE528G09079	INE528G08162	INE528G08170	INE528G08196
3	Governing law(s) of the instrument	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment					
4	Transitional Basel III rules	Tier 2	Additional Tier 1	Tier 2	Tier 2	Tier 2
5	Post-transitional Basel III rules	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible
6	Eligible at solo/group/ group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Upper Tier 2 Capital Instruments	Perpetual Debt Instruments	Upper Tier 2 Capital Instruments	Tier 2 Debt Instruments	Tier 2 Debt Instruments
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	1,760.00	900.00	800.00	245.12	514.40
9	Par value of instrument (Rs.)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	August 14, 2010	August 21, 2010	September 8, 2010	September 30, 2010	July 25, 2011
12	Perpetual or dated	Dated	Perpetual	Dated	Dated	Dated
13	Original maturity date	August 14, 2025	NA	September 8, 2025	April 30, 2020	July 25, 2021
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	August 14, 2020. Redemption at Par Value	August 21, 2020. Redemption at Par Value	September 8, 2020. Redemption at Par Value.	NA	NA
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA
	Coupons / dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	9.65%	9.90%	9.50%	9.30%	10.30%
19	Existence of a dividend stopper	No	No	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Partially discretionary	Partially discretionary	Partially discretionary	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	Yes	Yes	Yes	No	No
22	Noncumulative or cumulative	Cumulative	Non cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	No	No	No	No	No
31	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier I Bonds shall be a) Superior to the claims of investors in equity shares, and b) Subordinate to the claims of all other creditors	The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors
36	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes
37	If yes, specify non-compliant features	Absence of Point Of Non Viability Features and Existence of Step up Option	Absence of Loss Absorption feature at pre specified trigger. Absence of PONV Features. Non -Existence of Coupon Discretion	Absence of Point Of Non Viability Features and Existence of Step up Option	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features

Item	Particulars	Unsecured, Redeemable, Non Convertible Lower Tier II Subordinated Bonds in the nature of Debentures	Unsecured, Redeemable, Non Convertible Lower Tier II Subordinated Bonds in the nature of Debentures	Upper Tier-2 instruments in Foreign Currency	Unsecured, Redeemable, Non-Convertible, Upper Tier II Bonds in the nature of Promissory Notes	Unsecured, Redeemable, Non Convertible Lower Tier II Subordinated Bonds in the nature of Debentures
1	Issuer	YES BANK	YES BANK	YES BANK	YES BANK	YES BANK
2	Unique identifier	INE528G08204	INE528G08212	NA	INE528G09103	INE528G08220
3	Governing law(s) of the instrument	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	English Laws	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment					
4	Transitional Basel III rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional Basel III rules	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible
6	Eligible at solo/group/ group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Tier 2 Debt Instruments	Tier 2 Debt Instruments	Upper Tier 2 Capital Instruments	Upper Tier 2 Capital Instruments	Tier 2 Debt Instruments
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	388.80	720.00	1,526.25	240.00	720.00
9	Par value of instrument (Rs.)	1,000,000	1,000,000	USD 7.5 million	1,000,000	1,000,000
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	October 28, 2011	March 28, 2012	March 30, 2012	June 29, 2012	August 23, 2012
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	October 28, 2021	March 28, 2022	March 30, 2027	June 29, 2027	August 23, 2022
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	NA	March 30, 2022	June 29, 2022. Redemption at Par Value	NA
16	Subsequent call dates, if applicable	NA	NA	Every 6 month on interest reset dates	NA	NA
	Coupons / dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Floating	Fixed	Fixed
18	Coupon rate and any related index	10.20%	9.90%	6M USD LIBOR + 4.82%	10.25%	10.00%
19	Existence of a dividend stopper	No	No	Yes	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Partially discretionary	Partially discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No
22	Noncumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Nonconvertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	No	No	No	No	No
31	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors	"The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , and b) Subordinate to the claims of all other creditors"	The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors
36	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes
37	If yes, specify non-compliant features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features

Item	Particulars	Unsecured, Redeemable, Non-Convertible, Lower Tier II Bonds in the nature of Debentures	Unsecured, Redeemable, Non-Convertible, Upper Tier II Subordinated Bonds in the nature of Promissory Notes	Unsecured, Redeemable, Non-Convertible, Lower Tier II Bonds in the nature of Promissory Notes	Unsecured, Redeemable, Non-Convertible, Lower Tier II Subordinated Bonds in the nature of Debentures	Unsecured, Redeemable, Non-Convertible, Upper Tier II Subordinated Bonds in the nature of Debentures
1	Issuer	YES BANK	YES BANK	YES BANK	YES BANK	YES BANK
2	Unique identifier	INE528G08238	INE528G09111	INE528G09129	INE528G08246	INE528G08253
3	Governing law(s) of the instrument	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment					
4	Transitional Basel III rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional Basel III rules	Ineligible	Ineligible	Ineligible	Ineligible	Ineligible
6	Eligible at solo/ group/ group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Tier 2 Debt Instruments	Upper Tier 2 Capital Instruments	Tier 2 Debt Instruments	Tier 2 Debt Instruments	Upper Tier 2 Capital Instruments
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	720.00	800.00	480.00	623.28	1,100.00
9	Par value of instrument (Rs.)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	September 10, 2012	September 28, 2012	October 16, 2012	October 31, 2012	November 10, 2012
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	September 10, 2022	September 28, 2027	October 16, 2022	October 31, 2022	November 10, 2027
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	September 28, 2022. Redemption at Par Value	NA	NA	November 10, 2022. Redemption at Par Value.
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA
	Coupons/ dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	10.00%	10.15%	10.00%	9.90%	10.25%
19	Existence of a dividend stopper	No	No	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Partially discretionary	Mandatory	Mandatory	Partially discretionary
21	Existence of step up or other incentive to redeem	No	No	No	No	No
22	Noncumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	No	No	No	No	No
31	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , and b) Subordinate to the claims of all other creditors
36	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes
37	If yes, specify non-compliant features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features	Absence of Point Of Non Viability Features

Item	Particulars	Unsecured, Redeemable, Non-Convertible, Upper Tier II Subordinated Bonds in the nature of Promissory Notes	Unsecured, Non-Convertible, Basel III compliant Additional Tier I Subordinated Bonds in the nature of Debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
1	Issuer	YES BANK	YES BANK	YES BANK	YES BANK	YES BANK
2	Unique identifier	INE528G09137	INE528G08261	INE528G08287	INE528G08303	INE528G08311
3	Governing law(s) of the instrument	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment					
4	Transitional Basel III rules	Tier 2	NA	Tier II	Tier II	Tier II
5	Post-transitional Basel III rules	Ineligible	Additional Tier 1	Solo and Group	Solo and Group	Solo and Group
6	Eligible at solo/group/ group & solo	Solo and Group	Solo and Group	Tier 2 Debt Instrument	Tier 2 Debt Instrument	Tier 2 Debt Instrument
7	Instrument type	Upper Tier 2 Capital Instruments	Perpetual Debt Instruments	Upper Tier 2 Capital Instruments	Upper Tier 2 Capital Instruments	Upper Tier 2 Capital Instruments
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	676.40	2,800.00	5,542.00	15,000.00	8,000.00
9	Par value of instrument (Rs.)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	December 27, 2012	December 31, 2013	June 29, 2015	December 31, 2015	January 15, 2016
12	Perpetual or dated	Dated	Perpetual	Dated	Dated	Dated
13	Original maturity date	December 27, 2027	NA	December 31, 2025	December 31, 2025	January 15, 2026
14	Issuer call subject to prior supervisory approval	Yes	Yes	No	No	No
15	Optional call date, contingent call dates and redemption amount	December 27, 2022. Redemption at Par Value	December 31, 2023. Redemption at Par Value	NA	NA	NA
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA
	Coupons / dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	10.05%	10.50%	9.15%	8.90%	9.00%
19	Existence of a dividend stopper	No	Yes	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Partially discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No	No	No	No
22	Noncumulative or cumulative	Cumulative	Non Cumulative	Non Cumulative	Non Cumulative	Non Cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	No	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	NA	• Pre-specified trigger for loss absorption through write down fixed at the level of CET1 of 6.125% of RWAs At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations.	• At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations	• At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations	• At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations
32	If write-down, full or partial	NA	Full / Partial (Both options are available)	Full / Partial (Both options are available) in compliance with RBI guidelines.	Full / Partial (Both options are available) in compliance with RBI guidelines.	Full / Partial (Both options are available) in compliance with RBI guidelines.
33	If write-down, permanent or temporary	NA	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds Write Up is available subject to conditions.	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines
34	If temporary write-down, description of write-up mechanism	NA	• Write up shall be done at least one year after the bank made the first payment of dividends to common shareholders after breaching the pre-specified trigger. • Aggregate write-up in a year, should also not exceed 25% of the amount paid as dividend to the common shareholders in a particular year. Aggregate write-up in a year shall be restricted to a percentage of dividend declared during a year, the percentage being the ratio of the 'equity created by written-down instruments' to 'the total equity minus the equity created by written-down instruments'	NA	• NA	• NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investor in Upper Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital, and b) Subordinate to the claims of all other creditors	The claims of the investor in Additional Tier I Capital shall be a) superior to the claims of investors in equity shares and Perpetual Non Cumulative Preference Shares of the Bank b) subordinated to the claims of depositors, general creditors and subordinated debt of the bank	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors
36	Non-compliant transitioned features	Yes	No	No	No	No
37	If yes, specify non-compliant features	Absence of Point Of Non Viability Features	NA	NA	NA	NA

Item	Particulars	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures	Unsecured, Non-Convertible, Basel III compliant Additional Tier 1 Subordinated Bonds in the nature of Debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
1	Issuer	YES BANK	YES BANK	YES BANK	YES BANK	YES BANK
2	Unique identifier	INE528G08329	INE528G08337	INE528G08352	INE528G08378	INE528G08386
3	Governing law(s) of the instrument	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment					
4	Transitional Basel III rules	NA	NA	NA	NA	NA
5	Post-transitional Basel III rules	Tier II	Tier II	Additional Tier 1	Tier II	Tier II
6	Eligible at solo/group/ group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Tier 2 Debt Instrument	Tier 2 Debt Instrument	Perpetual Debt Instruments	Tier 2 Debt Instrument	Tier 2 Debt Instrument
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	5,000.00	5,450.00	30,000.00	25,000.00	15,000.00
9	Par value of instrument (Rs.)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
10	Accounting classification	Liability	Liability	Liability	Liability	Liability
11	Original date of issuance	January 20, 2016	March 31, 2016	December 23, 2016	September 29, 2017	October 03, 2017
12	Perpetual or dated	Dated	Dated	Perpetual	Dated	Dated
13	Original maturity date	January 20, 2026	March 31, 2026	NA	September 29, 2027	October 01, 2027
14	Issuer call subject to prior supervisory approval	No	No	Yes	NA	NA
15	Optional call date, contingent call dates and redemption amount	NA	NA	Minimum period of five years from the Deemed Date of Allotment subject to condition in term sheet.	NA	NA
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA
	Coupons/ dividends	Coupon	Coupon	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	9.05%	9.00%	9.50%	7.80%	7.80%
19	Existence of a dividend stopper	No	No	Yes	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No	No	No	No
22	Noncumulative or cumulative	Non Cumulative	Non Cumulative	Non Cumulative	Non Cumulative	Non Cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	NA	NA	Loss Absorbency/PONV post approval from RBI	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	Yes	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations	At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations	•Pre-specified trigger for loss absorption through write down fixed at the level of below 5.5% of RWA before 31st March, 2019 and if CET1 falls below 6.125% of RWA on or after 31st March 2019. •At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations.	At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations	At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations
32	If write-down, full or partial	Full / Partial (Both options are available) in compliance with RBI guidelines.	Full / Partial (Both options are available) in compliance with RBI guidelines.	Full / Partial (Both options are available)	Full / Partial (Both options are available) in compliance with RBI guidelines.	Full / Partial (Both options are available) in compliance with RBI guidelines.
33	If write-down, permanent or temporary	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds Write Up is available subject to conditions.	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines
34	If temporary write-down, description of write-up mechanism	NA	NA	•The Bank shall have full discretion to determine the amount of AT1 Instruments (including the Bonds) to be converted/ written down subject to the amount of conversion/write-down not exceeding the amount which would be required to bring CET1 ratio to 8% of RWAs •Further, the aggregate amount to be converted/written-down for all AT1 Instruments on breaching the trigger level shall be at least the amount needed to immediately return the bank's CET1 ratio to the trigger level (i.e. CET from write-down generated under applicable Indian Accounting Standards or RBI Instructions net of contingent liabilities, potential tax liabilities etc., if any) or, if this is not possible the full principal value of the instruments. •The Bonds which have been written off under loss absorbency - prespecified trigger can be written up (partially or full) at the absolute discretion of the Bank and subject to compliance with RBI instructions (including permission, consent if any).	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors	The claims of the investor in Additional Tier I Capital shall be a) superior to the claims of investors in equity shares and Perpetual Non Cumulative Preference Shares of the Bank b) subordinated to the claims of depositors, general creditors and subordinated debt of the bank	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors
36	Non-compliant transitioned features	No	No	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA

Item	Particulars	Unsecured, Non-Convertible, Basel III compliant Additional Tier I Subordinated Bonds in the nature of Debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
1	Issuer	YES BANK	YES BANK	YES BANK
2	Unique identifier	INE528G08394		INE528G08410
3	Governing law(s) of the instrument	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations	RBI Master Circulars, Companies Act, SEBI Regulations
	Regulatory Treatment			
4	Transitional Basel III rules	NA	NA	NA
5	Post-transitional Basel III rules	Additional Tier 1	Tier II	Tier II
6	Eligible at solo/group/ group & solo	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Perpetual Debt Instruments	Tier 2 Debt Instrument	Tier 2 Debt Instrument
8	Amount recognized in regulatory capital (Rs. in Millions as of December 31, 2018)	54,150.00	30,000.00	30,420.00
9	Par value of instrument (Rs.)	1,000,000	1,000,000	1,000,000
10	Accounting classification	Liability	Liability	Liability
11	Original date of issuance	October 18, 2017	February 22, 2018	September 17, 2018
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	NA	February 22, 2028	September 15, 2028
14	Issuer call subject to prior supervisory approval	Yes	NA	NA
15	Optional call date, contingent call dates and redemption amount	Minimum period of five years from the Deemed Date of Allotment subject to condition in term sheet.	NA	NA
16	Subsequent call dates, if applicable	NA	NA	NA
	Coupons / dividends	Coupon	Coupon	Coupon
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
18	Coupon rate and any related index	9.00%	8.73%	9.12%
19	Existence of a dividend stopper	Yes	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Non Cumulative	Non Cumulative	Non Cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA
30	Write-down feature	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	<ul style="list-style-type: none"> •Pre-specified trigger for loss absorption through write down fixed at the level of below 5.5% of RWA before 31st March, 2019 and if CET1 falls below 6.125% of RWA on or after 31st March 2019. •At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations. 	At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations	At option of RBI, the instrument can be written down, upon occurrence of. Point of Non Viability (PONV) trigger event as defined under RBI master circular on Basel III capital regulations
32	If write-down, full or partial	Full / Partial (Both options are available)	Full / Partial (Both options are available) in compliance with RBI guidelines.	Full / Partial (Both options are available) in compliance with RBI guidelines.
33	If write-down, permanent or temporary	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds Write Up is available subject to conditions.	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines	Permanent and Temporary options are available. However, instrument shall be permanently written-off if there is public sector injection of funds in compliance with RBI guidelines
34	If temporary write-down, description of write-up mechanism	<ul style="list-style-type: none"> •The Bank shall have full discretion to determine the amount of AT1 Instruments (including the Bonds) to be converted/ written down subject to the amount of conversion/write-down not exceeding the amount which would be required to bring CET1 ratio to 8% of RWAs •Further, the aggregate amount to be converted/written-down for all AT1 Instruments on breaching the trigger level shall be at least the amount needed to immediately return the bank's CET1 ratio to the trigger level (i.e. CET from write-down generated under applicable Indian Accounting Standards or RBI Instructions net of contingent liabilities, potential tax liabilities etc., if any) or, if this is not possible the full principal value of the instruments. •The Bonds which have been written off under loss absorbency - prespecified trigger can be written up (partially or full) at the absolute discretion of the Bank and subject to compliance with RBI instructions (including permission, consent if any). 	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims of the investor in Additional Tier I Capital shall be a) superior to the claims of investors in equity shares and Perpetual Non Cumulative Preference Shares of the Bank b) subordinated to the claims of depositors, general creditors and subordinated debt of the bank	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors	The claims of the investor in Tier II Capital shall be a) superior to the claims of investors in instrument eligible for Tier I Capital b) subordinated to the claims of depositors and general creditors
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA

Annexure 1 - Details of Equity Share Issuance

Date of Allotment	No of Shares in Millions	Amount of Share Capital in ₹ Million	Remark
21-Nov-03	0.25	0.50	Promoter's contribution
10-Mar-04	969.75	1,939.50	Promoter's contribution
31-Mar-04	30.00	60.00	Promoter's contribution
05-Jul-05	350.00	700.00	Initial Public Offer
22-Dec-06	50.00	100.00	Private Placement
07-Dec-07	73.50	147.00	Private Placement
27-Jan-10	191.80	383.63	Qualified Institutions Placement
05-Jun-14	267.45	534.92	Qualified Institutions Placement
31-Mar-17	163.55	327.10	Qualified Institutions Placement
Various	216.01	431.98	Employee Stock Option Scheme
Total	2,312.31	4,624.63	

* No. of shares has been revised post sub-division of each equity share having face value of ₹10/- fully paid-up into 5 (five) equity shares having face value of ₹2/- each fully paid-up.

7. Full Terms and Conditions of Regulatory Capital Instruments

(A) Common Equity Capital

Sr. No.	Criteria	Terms of Equity Shares of YES BANK
1	Voting shares	Equity shares of YES Bank are voting shares
2	Limit on voting rights	Limits on voting rights, if any, are applicable as per provisions of the Banking Regulation Act, 1949
3	Position in subordination hierarchy	Represent the most subordinated claim in liquidation of the Bank. The paid up amount is neither secured nor covered by a guarantee of the issuer or related entity nor subject to any other arrangement that legally or economically enhances the seniority of the claim.
4	Claim on residual assets	Entitled to a claim on the residual assets, which is proportional to its share of paid up capital, after all senior claims have been repaid in liquidation
5	Perpetuity	Principal is perpetual and never repaid outside of liquidation (except discretionary repurchases / buy backs or other means of effectively reducing capital in a discretionary manner that is allowable under relevant law as well as guidelines, if any, issued by RBI in the matter). The Bank does nothing to create an expectation at issuance that the instrument would be bought back, redeemed or cancelled, nor do the statutory or contractual terms provide any feature which might give rise to such an expectation.
6	Distributions	Distributions are paid out of distributable items (retained earnings included). The level of distributions is not in any way tied or linked to the amount paid up at issuance and is not subject to a contractual cap (except to the extent that a bank is unable to pay distributions that exceed the level of distributable items). Distributions are paid only after all legal and contractual obligations have been met and payments on more senior capital instruments have been made. There are no circumstances under which the distributions are obligatory. Non-payment is therefore not an event of default.
7	Loss absorption	It is the paid up capital that takes the first and proportionately greatest share of any losses as they occur. Within the highest quality capital, each instrument absorbs losses on a going concern basis proportionately and paripassu with all the others.
8	Accounting classification	The paid up amount is classified as equity capital. It is clearly and separately disclosed in the Bank's balance sheet.
9	Directly issued and paid-up	Shares are directly issued and paid up. The Bank cannot directly or indirectly fund the purchase of its own Equity

		shares
10	Approval for issuance	Paid up capital is only issued with the approval of the shareholders of the Bank, either given directly by the shareholders or, if permitted by applicable law, given by the Board of Directors or by other persons duly authorised by the shareholders.

(B) Innovative Perpetual Debt Instruments and Tier II capital

The Bank has been raising capital funds by means of issuance of Innovative Perpetual Debt Instruments (IPDI), Upper Tier II and Subordinated bonds. Instruments which are non compliant with the eligibility criteria set under Basel III Capital Regulations are phased out in computation of Tier 1 and Tier 2 Capital under the transitional provisions specified in RBI Master Circular on Basel-III Capital Regulations, July, 2014.

The details of IPDI, Upper Tier II and Subordinated Debt (Unsecured Redeemable Non-convertible Subordinated Bonds in the nature of Promissory Notes/Debentures), issued by the Bank and outstanding as of March 31, 2015 are given below.

Tier 1 Capital Instruments

1) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
Credit Rating	'LA +' by ICRA & 'CARE A+' (A Plus) by CARE
Issue Size	Rs. 116 crore including Green shoe option of Rs 66 Crore
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	Perpetual
Coupon Rate	10.25% p.a
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the deemed date of allotment but excluding the deemed date of allotment
Interest Payment Date	21 st February of every year
Lock-in Clause	In terms of RBI Master circular no. DBOD.No.BP.BC.11/21.06.001/2008-2009 dated July 1, 2008, on Prudential Guidelines on Capital Adequacy and Market Discipline- Implementation of new Capital Adequacy Framework covering norms for raising of instruments eligible for inclusion under Tier-I capital, these Bonds shall be subjected to a lock-in clause in terms of which the Bank shall not be liable to pay interest if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI or (b) 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 the RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. The interest shall not be cumulative.

1) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
Record Date	For interest payment Record Date would be 30 days prior to Interest Date. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Put/ Call Option	No Put Option, Call option exercisable at the end of 10 years from the deemed date of allotment and on every interest date thereafter (exercisable only with RBI approval).
Step up Option	50 basis points over and above the initial coupon rate of 10.25% at the end of 10 years from the deemed date of allotment, if the call option is not exercised by the Bank
Date of Allotment	February 21, 2009
Listing	BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	IDBI Trusteeship Services Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/ECS system
Issuance & Trading	Demat Mode

2) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
Credit Rating	'LA +' by ICRA & 'CARE A+' (A Plus) by CARE
Issue Size	Rs. 55 Crore including Green shoe option of Rs 30 Crore
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	Perpetual
Coupon Rate	10.25% p.a
Interest Payment Frequency	Annual (The interest shall not be cumulative)
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the deemed date of allotment but excluding the deemed date of allotment
Interest Payment Date	9th March of every year
Lock-in Clause	In terms of RBI Master circular no. DBOD.No.BP.BC.11/21.06.001/2008-2009 dated July 1, 2008, on Prudential Guidelines on Capital Adequacy and Market Discipline- Implementation of new Capital Adequacy Framework covering norms for raising of instruments eligible for inclusion under Tier-I capital, these Bonds shall be subjected to a lock-in clause in terms of which the Bank shall not be

2) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
	liable to pay interest if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI or (b) 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 the RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. The interest shall not be cumulative.
Record Date	For interest payment Record Date would be 30 days prior to Interest Date. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Put/ Call Option	No Put Option, Call option exercisable at the end of 10 years from the deemed date of allotment and on every interest date thereafter (exercisable only with RBI approval).
Step up Option	The Bonds shall have a step-up option which shall be exercised only once during the whole life of the Bonds, if call option is not exercised by the Bank at the end of 10 th Year from the Deemed date of allotment. The step up shall be 50 basis points over and above the initial coupon rate of 10.25%
Date of Allotment	March 9, 2009
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	IDBI Trusteeship Services Ltd.
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 draft(s)/ credit through RTGS/ECS system
Issuance & Trading	Demat Mode

3) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
Credit Rating	BWR AA+ by Brickwork Ratings, LA+ by ICRA, CARE A+ by CARE
Issue Size	Rs. 87 Crore including the Green shoe option
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	Perpetual
Coupon Rate	10.25% p.a
Interest Payment Frequency	Annual (The interest shall not be cumulative)
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other

3) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
	statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment.
Interest Payment Date	5th March of every year
Lock-in Clause	In terms of RBI Master circular no. DBOD.No.BP.BC.21/21.06.001/ 2009-10 dated July 1, 2009, on Prudential Guidelines on Capital Adequacy and Market Discipline- Implementation of new Capital Adequacy Framework covering norms for raising of instruments eligible for inclusion under Tier-I capital, these Bonds shall be subjected to a lock-in clause in terms of which the Bank shall not be liable to pay interest if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI or (b) 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 the RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. The interest shall not be cumulative.
Record Date	For interest payment Record Date would be 30 days prior to Interest Date. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Put/ Call Option	No Put Option, Call option exercisable at the end of 10 years from the date of allotment (exercisable only with the prior approval of Reserve Bank of India - Department of Banking Operation and Development).
Step up Option	The Bonds shall have a step-up option which shall be exercised only once during the whole life of the Bonds, if call option is not exercised by the Bank at the end of 10 th Year from the Date of allotment. The step up shall be 100 basis points over and above the initial coupon rate of 10.25%
Date of Allotment	March 5, 2010
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	IDBI Trusteeship Services Ltd.
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 draft(s)/ credit through RTGS/ECS system
Issuance & Trading	Demat Mode

4) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
Credit Rating	BWR AA+ (outlook : Stable) by Brickwork Ratings and LAA- by ICRA
Issue Size	Rs. 225 Crores including the Green shoe option

4) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	Perpetual
Coupon Rate	9.90% p.a
Interest Payment Frequency	Annual (The interest shall not be cumulative)
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment. Interest will be paid within 5 working days from date of allotment.
Interest Payment Date	21 st August of every year
Lock-in Clause	In terms of RBI Master circular no. DBOD.No.BP.BC.15/21.06.001/2010-11 dated July 1, 2010, on Prudential Guidelines on Capital Adequacy and Market Discipline- Implementation of new Capital Adequacy Framework covering norms for raising of instruments eligible for inclusion under Tier-I capital, these Bonds shall be subjected to a lock-in clause in terms of which the Bank shall not be liable to pay interest if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI or (b) 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 the RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. The interest shall not be cumulative.
Record Date	For interest payment Record Date would be 30 days prior to Interest Date. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Put/ Call Option	No Put Option, Call option can be exercised only once on the date of completion of 10 years from the date of allotment with the prior approval of Reserve Bank of India (Department of Banking Operation and Development).
Step up Option	The Bonds shall have a step-up option which shall be exercised only once during the whole life of the Bonds, if call option is not exercised by the Bank at the end of 10 th Year from the date of allotment. The step up shall be 50 basis points over and above the initial coupon rate of 9.90%
Date of Allotment	August 21, 2010
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	Axis Trustee Services Ltd

4) Instrument	Unsecured, Non Convertible, Tier I Subordinated Perpetual Bonds in the nature of Promissory Notes
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 draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

5) Instrument	Unsecured, Non-Convertible Subordinated Perpetual Additional Tier 1 Basel-III compliant Bonds in the nature of Debentures
Issuance & Trading	Demat Mode
Credit Rating	[ICRA] A (hyb)
Mode of Issue	Private Placement
Issue Size	Rs 280 Crore
Face Value/Issue Price	Rs 10,00,000 per Bond
Objects of the Issue	Augmenting Tier - I Capital and overall Capital of the Bank and enhancing long term resources
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	Perpetual
Security	Unsecured
Conversion	Non-convertible
Coupon Rate	10.50% p.a. Fixed rate instrument. No coupon Reset
Interest Payment Frequency	Annual (The interest shall not be cumulative)
Interest Payment Date	December 31 of every year
Record Date	For interest payment and exercise of Call Option Record date would be 15 days prior to Interest Date/ Call option date /redemption date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 days as the case may be(Actual/ Actual)
Coupon Discretion	<p>(i) The Bank has Full Discretion at all times to cancel coupon distributions/payments. On cancellation of distributions/payments, these payments will be extinguished and Bank shall have no obligation to make distributions/payments in kind as well.</p> <p>(ii) Bank shall have full access to cancelled payments to meet obligations as they fall due.</p> <p>(iii) Cancellation of discretionary payments shall not be an Event of Default.</p> <p>(iv) Cancellation of distributions/payments must not impose restrictions on the bank except in relation to distributions to common stakeholders as explained in the Dividend Stopper clause below.</p> <p>(v) Coupons shall be paid out of distributable items as</p>

	<p>per prevailing Indian Laws and RBI guidelines.</p> <p>(vi) The interest shall not be cumulative. This means that interest missed in a year will not be paid in future years, even if adequate profit is available and the level of CRAR conforms to the regulatory minimum. If coupon is paid at a rate lesser than the prescribed rate, the unpaid amount will not be paid in future years, even if adequate profit is available and the level of CRAR conforms to the regulatory minimum.</p> <p>(vii) Distributions/payments by the Bank will be subject to the Minimum Capital Conservation Ratios the Bank must meet at various levels of the Common Equity Tier 1 capital ratios after including the current periods retained earnings (subject to RBI guidelines) and the minimum Capital Requirements to be complied by the Bank at all times (Consolidated & Solo Level) as per RBI Master circular on Basel-III Capital Regulations July 1, 2013</p>
Dividend Stopper Clause	<p>If for any reason Coupons are not paid within 30 Business Days after Coupon Payment Date on this issue of Perpetual Debt Instruments (PDIs), a Dividend Stopper will apply to the Bank subject to Restrictions on Dividend Stopper Clause and the following Conditions:</p> <p>The Dividend Stopper will restrict the Bank from paying dividend payments on Common Shares issued by the Bank and prohibit Bank's actions that are equivalent to the payment of a dividend such as Discretionary Share Buybacks made, if otherwise permitted</p> <p>The Dividend Stopper can be lifted if majority of Perpetual Debt Instruments (PDIs) Holders approve such an action and RBI does not otherwise object, or if during the following 12 months the Bank pays all scheduled Coupons on Perpetual Debt Instruments (PDIs) in full.</p>
Restrictions on Dividend Stopper Clause	<p>The exercise of 'Dividend Stopper' clause by the holders of this Perpetual Debt Instruments (PDIs) issue shall not impede/hinder :-</p> <p>(i) The Full Discretion that the Bank has at all times to cancel distributions/payments on this issue of Perpetual Debt Instruments (PDIs).</p> <p>(i) The Re-Capitalization of the bank.</p> <p>(ii) The Bank's right to make payments on another</p>

	<p>instruments where payments are not Fully Discretionary.</p> <p>(iii) The Bank's right to making distributions to shareholders for a period that extends beyond the point in time that coupon /dividends on the Additional Tier 1 instrument are resumed</p> <p>(iv) The normal operation of the bank or any restructuring activity (including acquisitions/disposals).</p>
Put Option	No Put Option
Call Option	<p>The exercise of Call Option by the Bank will be subject to ALL of the below mentioned conditions.</p> <p>a) The instrument has run for at least ten years</p> <p>b) The prior approval of RBI (Department of Banking Operations & Development).</p> <p>c) The instrument is replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the bank</p> <p>OR</p> <p>d) The bank demonstrating to RBI that its capital position is well above the minimum capital requirements after the Repurchase / Buyback / Redemption. Here, minimum refers to Common Equity Tier 1 of 8% of RWAs (including capital conservation buffer of 2.5% of RWAs) and Total Capital of 11.5% of RWAs including any Additional Capital Requirement identified under Pillar 2.</p>
Exercise of Calls Options in Tax Events and Regulatory Event	<p>(i) Bank may call the instrument due to the occurrence of Tax events or Regulatory event only if permitted by RBI.</p> <p>(ii) RBI may permit such type of calls only if it is convinced that the bank was not in a position to anticipate these events at the time of issuance of Perpetual Debt Instruments (PDIs) as per RBI Master circular on Basel-III Capital Regulations July 1, 2013.</p>
Repurchase / Buy-back / Redemption of the Perpetual Debt Instruments (PDIs)	<p>Bank may repurchase / buy-back / redeem the Perpetual Debt Instruments (PDIs) with prior approval of RBI only if:-</p> <p>(i) The instrument is replaced with capital of the same or</p>

	<p>better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the bank</p> <p>OR</p> <p>(ii) The bank demonstrating to RBI that its capital position is well above the minimum capital requirements after the Repurchase / Buyback / Redemption. Here, minimum refers to Common Equity Tier 1 of 8% of RWAs (including capital conservation buffer of 2.5% of RWAs) and Total Capital of 11.5% of RWAs including any Additional Capital Requirement identified under Pillar 2.</p>
Listing	BSE Limited
Depository	National Securities Depository Limited and Central Depository Services (India) Limited
Deemed Date of Allotment	December 31, 2013
Trustee	AXIS Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/credit through RTGS/NECS system
Seniority of Claim	The claims of the investors in Bonds being issued for inclusion in Additional Tier I capital shall be (a) superior to the claims of investors in equity shares of the Bank, (b) superior to the claims of investors in perpetual non-cumulative preference shares issued by the Bank, if any, (c) subordinated to the claims of depositors, general creditors and subordinated debt of the bank and (d) is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors
Loss Absorbency clause at the occurrence of an Objective Pre-Specified Trigger Point.	The Perpetual Debt Instruments (PDIs) has ' Principal Loss Absorption ' feature as per RBI's Basel-III Capital Regulations, while the Bank remains a Going Concern. This Principal Loss Absorption feature shall be executed through Full / Partial Temporary Write-down or Full / Partial Permanent Write-off, which allocates losses to the Perpetual Debt Instruments (PDIs) at the Objective Pre-Specified Trigger Point as defined by RBI and mentioned below in the Objective Pre-Specified Trigger Point for Loss Absorbency Clause

	<p>The write-down will have the following effects:</p> <ul style="list-style-type: none"> (i) Reduce the claim of the Perpetual Debt Instruments (PDIs) in liquidation. (ii) Reduce the amount re-paid when a call is exercised. (iii) Partially or fully reduce coupon payments on the instrument. <p>Various criteria for Loss Absorption through write-down / write-off on breach of Objective pre-specified trigger per Annex 16 of RBI Master circular on Basel-III Capital Regulations July 1, 2013</p>
Objective Pre-Specified Trigger Point for Loss Absorbency Clause	The Pre-specified Trigger for Loss Absorption through Full / Partial Temporary Write-Down or Full / Partial Permanent Write-off of the level of Perpetual Debt Instruments (PDIs) is fixed at Bank's Common Equity Tier-1 Ratio (CET1) of 6.125% of Risk Weighted Assets of the Bank.
Exercise of Option to Write down at the Objective Pre-Specified Trigger Point for Loss Absorbency Clause	<ul style="list-style-type: none"> (i) The option for Full / Partial Temporary Write-Down or Full / Partial Permanent Write-off to be exercised on breach of Objective pre-specified trigger vests with the Bank subject to conditions specified in RBI Basel - III Capital Regulations. (ii) If Full / Partial Temporary Write-Down or Full / Partial Permanent Write-off option is exercised, it shall be exercised across all investors of this particular issue of Perpetual Debt Instruments (PDIs).
Limitations on Exercise of Option to Write down at the Objective Pre-Specified Trigger Point for Loss Absorbency Clause	<ul style="list-style-type: none"> (i) The Full / Partial write-down can be allowed more than once in case the Bank hits the Pre-specified Trigger level subsequent to the First write-down which was partial. (ii) The AT-I instruments (including this issue of Perpetual Debt Instruments (PDIs)) once Written-up can be Written-Down again.
Write Up Option	Available subject to conditions per Annex 16 of RBI Master circular on Basel-III Capital Regulations July 1, 2013
Loss Absorbency clause at the Point of Non-Viability of the Bank	The instrument has the following features exercisable at the option of the Reserve Bank of India, upon the occurrence of the 'Point of Non-Viability (PONV) Trigger: <ul style="list-style-type: none"> a. Temporary/permanent write-off, if there is no public sector injection of funds. b. Permanent write-off if there is Public sector injection of funds.

	<p>The amount of Perpetual Debt Instruments (PDIs) for temporary/permanent write-off will be determined by RBI.</p>
<p>Point of Non-Viability (PONV) Trigger</p>	<p>As per Basel-III Guidelines, the 'Point of Non-Viability (PONV) Trigger' event is the earlier of :-</p> <ol style="list-style-type: none"> a. A decision that a temporary/permanent write-off, without which the Bank would become 'Non-viable', is necessary, as determined by the Reserve Bank of India; and b. The decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become 'Non-viable', as determined by the relevant authority. The write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. The AT-1 instruments (including this issue of Perpetual Debt Instruments) with write-off clause will be permanently written-off if there is public sector injection of funds. <p>The Trigger at PONV will be evaluated both at Consolidated and Solo level and breach at Either level will Trigger temporary/permanent write-off.</p> <p>The clauses related to the Loss Absorbency criteria, the process to determine 'PONV' and the operation of the clause in various circumstances are per Annex 16 of RBI Master circular on Basel-III Capital Regulations July 1, 2013</p>
<p>Limits on Exercise of temporary/permanent write-off Option at the Point of Non-Viability of the Bank</p>	<p>The write-down can be allowed more than once if the Bank hits the Pre-specified Trigger level subsequent to the First write-down which was partial. The Perpetual Debt Instruments (PDIs) once written-up can be written-down again.</p>
<p>Order of Write-down of Various Types of Regulatory Capital Instruments at Objective Pre-specified Trigger and PONV</p>	<p>The Basel-III Compliant Perpetual Debt instruments shall be written-down in the order in which they shall absorb losses in a Gone Concern situation as per RBI guidelines / directives. The sequencing/ Ranking for Temporary write-down or Permanent Write-Off of various types of Basel-III Compliant Regulatory Capital instruments issued by the</p>

bank/ will be issued in future by the Bank is mentioned below:-

- a. In the event of occurrence of Loss Absorption Events at the Objective Pre-specified Trigger point and Point of Non-Viability (PONV), the Common Equity Capital shall be written down first. The Common Equity Share holders shall rank *paripassu* amongst themselves for Loss Absorption.
- b. All the Basel-III Compliant Perpetual Debt Instruments (PDIs) (including this Tranche) qualifying as Additional Tier-1 instruments issued by the bank/to be issued in future by the Bank, which have Loss Absorption Clause at the Objective Pre-specified Trigger point and Point of Non-Viability (PONV) as per the terms and conditions of the issue(s) shall rank *pari-passu* amongst themselves and hence shall be Temporarily written-down (Full/partial) or Permanently Written-Off (Full/partial) in *pari-passu* upon the occurrence of Loss Absorption Trigger Events at the Objective Pre-specified Trigger point and Point of Non-Viability (PONV). The Write Down of PDI instruments, as mentioned above, shall be done subsequent to the Write-Down of Common Equity Capital.
- c. All the Basel-III Compliant Tier 2 bonds issued by the Bank/ to be issued in future by the bank which have Loss Absorption Clause upon the occurrence of the Trigger event of Point of Non-Viability (PONV) as per the terms and conditions of the issue (s) shall rank *pari-passu* amongst themselves and hence shall be Temporarily written-down or Permanently Written-Off in *pari-passu* upon the occurrence of the Trigger event of Point of Non-Viability (PONV) as decided by RBI. However, the Basel-III Compliant Tier II bonds shall absorb losses only if Basel-III Compliant Perpetual Debt Instruments (PDIs) (including this Tranche) issued by the Bank with Loss Absorbency Clause in their terms and conditions have been written down/written-off and such written down/written-off is insufficient to absorb the losses fully/ or to the extent of amount as decided by the RBI to restore the viability of the Bank.

Treatment of the instrument in Insolvency	The Perpetual Debt Instruments (PDIs) instrument shall not contribute to liabilities exceeding assets if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise.
Re-Capitalization of the Bank	i. The investors cannot hinder Re-Capitalization of the Bank, if needed. The Bank shall not compensate investors of this issue of Perpetual Debt Instruments (PDIs) if a new Capital Instrument is issued at a lower price during at the currency of this Perpetual Debt Instruments (PDIs).
Cross Default	Not applicable
Treatment of Basel-III compliant PDI instrument of Re-Constitution / Amalgamation/ Acquisition / Winding-Up / Liquidation of the Bank	As per terms and conditions specified in Annex 16 of RBI master circular on Basel-III Capital Regulations, (<i>Paras 2.9 to 2.15 and para 3.9</i>), dated July 1, 2013

6) Instrument	Perpetual Subordinated Unsecured BASEL III compliant Additional Tier I Bonds in the nature of debentures of Rs. 10,00,000 each (each a "Bond" or "Debenture")
Nature of Instrument	Unsecured
Seniority/Order of claim of Additional Tier I instruments	<p>The claims of the Bondholders in the Bonds shall:</p> <ul style="list-style-type: none"> (i) be superior to the claims of investors in equity shares and perpetual non-cumulative preference shares issued by the Bank; (ii) be subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier 1 Capital (as defined in the Basel III Guidelines); (iii) neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank; (iv) be pari passu with claims of holders of such subsequent debentures/bond issuances of the Bank, unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such existing and subsequent bond holders are senior or subordinate to the Bonds issued under this Disclosure Document or unless the RBI specifies otherwise in its guidelines; (v) rank pari passu without preference amongst themselves. <p>Notwithstanding anything to the contrary stipulated herein, the</p>

	<p>claims of the Bondholders shall be subject to the provisions of “Coupon Discretion”, “Loss Absorbency” & “Other Events” mentioned in this Disclosure Document.</p> <p>The Bonds shall not contribute to liabilities exceeding assets of the Bank if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise.</p>
Issue Size	Rs. 3,000 Crore (Rupees Three Thousand Crore only)
Date of issue	December 23, 2016
Listing	Proposed on the Wholesale Debt Market (WDM) segment of BSE
Credit Rating	‘CARE AA/Stable’ by CARE & ‘IND AA/Stable’ by India Ratings
Objects of the Issue	Augmenting Additional Tier 1 Capital and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources in accordance with RBI Guidelines.
Details of Utilization of Funds	The Bank shall utilize the proceeds of the issue for augmenting Additional Tier 1 Capital and overall capital base and for the purpose of its regular business activities & other associated business objectives.
Coupon Rate	9.50% p.a. subject to “Coupon Discretion” and/or “Loss Absorbency” (as the case may be)
Step Up/Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Annual, subject to “Coupon Discretion” and/or “Loss Absorbency” (as the case may be)
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, cap & floor etc.)	N.A.
Day Count Basis	<p>Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the face value/principal outstanding at the Coupon rate rounded off to the nearest rupee.</p> <p>Interest Period means each period beginning on (and including) the deemed date of allotment(s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date/ Call Option Date (if exercised).</p>
Default Interest Rate	N.A.
Tenor	Perpetual
Redemption Date	N.A.
Redemption Amount	<p>N.A.</p> <p>However in case of redemption due to exercise of call option or otherwise in accordance with RBI Guidelines, the Bonds shall be redeemed at par along with interest (subject to “Coupon Discretion”) accrued till one day prior to the Call Date subject to adjustments and/or write-off on account of “Coupon</p>

	Discretion", "Loss Absorbency" & "Other Events" mentioned in the Summary Term Sheet.
Premium/Discount Redemption	on NIL
Issue Price	At Par (Rs. 10 Lacs per debenture)
Discount on Issue	NIL
Put Date	N.A.
Put Price	N.A.
Issuer Call Option Date	The Bank may or may not, at its sole discretion but subject always to the "Condition for exercise of call option" , elect to exercise a call on the Debentures (in whole but not in part) on December 23, 2021 [being the 5th anniversary of the Deemed Date of Allotment] (the "Issuer Call Date") or any Coupon Payment Date thereafter.
Tax Call	<p>If there is any change in, or amendment to, the laws affecting taxation (or regulations or rulings promulgated thereunder) in India or any change in the official application of such laws, regulations or rulings (a "Tax Event") like the Issuer will no longer being entitled to claim a deduction in respect of computing its taxation liabilities with respect to coupon on the Bonds, Issuer may, at its option, redeem the Bonds, in whole but not in part, at a redemption price equal to outstanding principal amount subject to adjustment on account of "Loss Absorbency" & "Other Events" mentioned in the Summary Term Sheet, together with any accrued but unpaid interest (subject to "Coupon Discretion") to (but excluding) the date fixed for exercising call option on such Bonds.</p> <p>Any redemption upon the occurrence of a Tax Event will be subject to the provisions described under "Call Notification Time" and conditions (ii) and (iii) enumerated under "Condition for exercise of Call Option".</p> <p>RBI may permit the Issuer to exercise the Tax Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Tax Event at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the call option is exercised.</p> <p>Potential Investors may note that approvals to be obtained from RBI to exercise call options are not routine and are subject to the discretion of RBI. Further, RBI shall, before providing such approvals, thoroughly consider the financial and capital position of the Bank or any other criteria or basis it deems fit.</p>
Regulatory Call	If there is a change in the regulatory classification of the Bonds that occurs on or after the issue date of the Bonds (a "Regulatory Event"), Issuer may, at its option, redeem the

	<p>Bonds, in whole but not in part, at a redemption price equal to outstanding principal amount subject to adjustment on account of “Loss Absorbency” & “Other Events” mentioned in the Summary Term Sheet, together with any accrued but unpaid interest (subject to “Coupon Discretion”) to (but excluding) the date fixed for exercising call option on such Bonds. Any redemption upon the occurrence of a Regulatory Event will be subject to the provisions described under “Call Notification Time” and conditions (ii) and (iii) enumerated under “Condition for exercise of Call Option”</p> <p>RBI may permit the Issuer to exercise the Regulatory Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Regulatory Call at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the call option is exercised.</p> <p>Potential Investors may note that approvals to be obtained from RBI to exercise call options are not routine and are subject to the discretion of RBI. Further, RBI shall, before providing such approvals, thoroughly consider the financial and capital position of the Bank or any other criteria or basis it deems fit.</p>
Condition for exercise of Call Option	<p>Exercise of Call Option on the Bonds by the Bank will be subject to all the conditions mentioned below:</p> <ul style="list-style-type: none"> (i) Call Option may be exercised only after a minimum period of five years from the Deemed Date of Allotment; (ii) To exercise a call option the Bank shall require prior approval of RBI(Department of Banking Regulation); and (iii) Bank shall not exercise a call unless: <ul style="list-style-type: none"> (a) The Bond is replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the Bank; or (b) The Bank demonstrates that its capital position is well above the minimum capital requirements after the call option is exercised. (c) Please note that the Bank does not currently propose (or have any intention) to exercise the call option.
Put Notification Time	N.A.
Call Notification Time	Any redemption of the Bonds on account of exercise of Call Option shall be subject to the Issuer giving not less than 15 calendar days prior notice to the Bondholders and/or the Debenture Trustee.
Face Value	Rs. 10 Lacs per Debenture
Issuance Mode	In Demat mode only
Trading Mode	In Demat mode only

Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/interest/redemption warrant(s)/demand draft(s)/credit through direct credit/NECS/RTGS/NEFT mechanism
Depository	NSDL & CDSL
Business Day Convention/Effect of Holidays	<p>If the date of payment of interest does not fall on a Business Day, then the succeeding Business Day will be considered for such payment of interest, however the amount of interest to be paid would be computed as per the schedule originally stipulated at the time of issuing the security.</p> <p>In case the Call Option Date (if exercised) does not fall on a Business Day, the payment will be made on the preceding Business Day, along with coupon/interest accrued on the Bonds until but excluding the date of such payment.</p>
Record Date	15 (Fifteen) days prior to each Coupon Payment Date/Call Option Date (as the case may be). In the event the Record Date falls on a day which is not a Business Day, the succeeding Business Day will be considered as Record Date
Security	Unsecured
Events of Default	<p>Not Applicable.</p> <p>It is further clarified that cancellation of discretionary payments shall not be deemed to be an event of default. The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p>
Treatment in Bankruptcy/Liquidation	The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation. The Bond will not contribute to liabilities exceeding assets of the Bank if such a balance sheet forms part of a requirement to prove insolvency under any law or otherwise.
Cross Default	N.A.
Dividend Stopper	<p>If any interest is cancelled, then from the date of which such cancellation has first been notified (a “Dividend Stopper Date”), the Bank will not:</p> <ul style="list-style-type: none"> (i) Declare or pay any discretionary distribution or dividend or make any other payment on, or directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire its Common Equity Tier 1 Capital (other than to the extent that any such distribution, dividend or other payment is declared before such Dividend Stopper Date or where the terms of the instrument do not at the relevant time enable the Bank to cancel or defer such payment); or (ii) Pay discretionary interest or any other distribution on, or directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire, any of its instruments or securities

	<p>ranking, as to the right of payment of dividend, distributions or similar payments, pari passu with the Bonds (excluding securities the terms of which stipulate mandatory redemption).</p> <p>In each case unless or until:</p> <ul style="list-style-type: none"> (i) the occurrence of the next Coupon Payment Date, following the Dividend Stopper Date, on which payment of Coupon amount has resumed and such Coupon (payable on such Coupon Payment Date) has been paid in full; (ii) the prior approval of the Bondholders has been obtained via an extraordinary resolution. It is hereby clarified that Coupon on the Bonds shall not be cumulative. If Coupon is cancelled or not paid or paid at a rate lesser than the Coupon Rate, such unpaid and/or cancelled Coupon will not be paid in future years. <p>For the avoidance of doubt, the Dividend Stopper will not:</p> <ul style="list-style-type: none"> (i) stop payment on another instrument where the payments on such an instrument are not fully discretionary; (ii) prevent distributions to shareholders for a period that extends beyond the point in time at which interest on the Bonds is resumed; (iii) impede the normal operation of the Bank, including actions in connection with employee share plans or any restructuring activity, including acquisitions and disposals; or (iv) impede the full discretion that the Bank has, at all times, to cancel distributions or payments on the Bonds nor act in a way that could hinder the recapitalization of the Bank.
<p>Coupon Discretion</p>	<ul style="list-style-type: none"> (i) The Bank shall have full discretion at all times to cancel Coupon either in part or full. On cancellation of payment of Coupon, these payments shall be extinguished and the Bank shall have no obligation to make any distribution/Coupon payment in cash or kind. (ii) The Bonds do not carry a 'dividend pusher' feature i.e. if the Bank makes any payment (coupon/dividend) on any other capital instrument or share, the Bank shall not be obligated to make Coupon payment on the Bonds. (iii) Cancellation of Coupon shall not be an event of default. (iv) Bank shall have full access to cancelled Coupon to meet obligations as they fall due. (v) Cancellation of Coupon shall not impose any restrictions on the Bank except in relation to distributions to common stakeholders.

	<p>(vi) Coupons, unless cancelled by the Bank, shall be paid out of distributable items. In this context, Coupon may be paid out of current year profits. However, if current year profits are not sufficient, Coupon may be paid subject to availability of sufficient revenue reserves (those which are not created for specific purposes by the Bank) and / or credit balance in profit and loss account, if any.</p> <p>However, payment of Coupons on the Bonds from the revenue reserves is subject to the Bank meeting minimum regulatory requirements for CET1, Tier 1 and Total Capital ratios (as stipulated in the Basel III Guidelines and/or other relevant guidelines issued by the RBI from time to time) at all times and subject to the requirements of capital buffer frameworks (i.e. capital conservation buffer, countercyclical capital buffer and Domestic Systemically Important Banks).</p> <p>(vii) Coupon on the Bonds shall not be cumulative. If Coupon is cancelled or not paid or paid at a rate lesser than the Coupon Rate, such unpaid and/or cancelled Coupon will not be paid in future years.</p>
<p>Loss Absorbency</p>	<p>The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent) are issued subject to loss absorbency features applicable for non-equity capital instruments issued in terms of Basel III Guidelines and are subject to certain loss absorbency features as described herein and required of Additional Tier 1 instruments at Pre-Specified Trigger Level and at the PONV.</p> <p>Accordingly, without the need of the consent of Bondholders or Trustee, the Bonds and any claims or demands of any Bondholder or any other person claiming for or on behalf of or through such Bondholder, against the Bank, may be written-off or converted into common shares, in whole or in part, upon the occurrence of the following trigger events:</p> <ul style="list-style-type: none"> (i) Pre-Specified Trigger Level; (ii) Point of Non-Viability. <p>(i) Loss Absorption at Pre-Specified Trigger Level</p> <p>If the CET1 of the Bank falls below 5.5% of RWA before 31st March, 2019 and if CET1 falls below 6.125% of RWA on or after 31st March 2019. Each of the trigger levels referred to hereinabove is called the “Pre-Specified Trigger Level”</p> <p>A write-off of the Bonds may have the following effects:</p> <ul style="list-style-type: none"> (i) reduce the claim of the Bond (up to nil) in liquidation; (ii) reduce the amount to be re-paid on the Bond when call is

exercised (up to nil);
(iii) partially or fully reduce Coupon payments on the Bond.

The write-down of any Common Equity Tier 1 capital shall not be required before a write-down of any AT1 instruments (including the Bonds). The Bank shall have full discretion to determine the amount of AT1 Instruments (including the Bonds) to be converted/ written down subject to the amount of conversion/write-down not exceeding the amount which would be required to bring CET1 ratio to 8% of RWAs. Further, the aggregate amount to be converted/written-down for all AT1 Instruments on breaching the trigger level shall be at least the amount needed to immediately return the bank's CET1 ratio to the trigger level (i.e. CET from write-down generated under applicable Indian Accounting Standards or RBI Instructions net of contingent liabilities, potential tax liabilities etc., if any) or, if this is not possible the full principal value of the instruments. When the Bank breaches a Pre-Specified Trigger Level and the equity is replenished through conversion or write-down, such replenished amount of equity will be excluded from the total equity of the Bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the Bank has attained total common equity ratio of 8% without counting the replenished equity capital that point onwards, the Bank may include the replenished equity capital for all purposes. The Bank shall have the discretion to convert or write-down the Bonds multiple times in case the Bank hits Pre-Specified Trigger Level subsequent to the first conversion or write-down. The Bonds which have been written off can be written up (partially or full) at the absolute discretion of the Bank and subject to compliance with RBI instructions (including permission, consent if any).

(ii) Loss Absorption at the Point of Non-Viability ("PONV")

A write-off of the Bonds at the PONV may have the following effects:

- (i) reduce the claim of the Bond (up to nil) in liquidation;
- (ii) reduce the amount to be re-paid on the Bond when call is exercised (up to nil);
- (iv) partially or fully reduce coupon payments on the Bond.

PONV trigger event shall be as defined in the aforesaid Basel III Guidelines and shall be determined by the RBI.

RBI may in its imminence alter or modify the PONV trigger whether generally or in relation to the Bank or otherwise. In any case it should be noted that following writing-off of the Bonds

	<p>and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or pari passu or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the Bonds and there is no right available to the Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.</p>
<p>PONV</p>	<p>Without the need of the consent of Bondholders or Trustee, the Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent), at the option of the RBI, can be permanently written down or converted into common equity, upon the occurrence of the trigger event called "Point of Non-Viability Trigger" ("PONV Trigger")</p> <p>The PONV Trigger event is the earlier of:</p> <ul style="list-style-type: none"> (i) a decision that a permanent write-off without which the Bank would become non-viable, as determined by the Reserve Bank of India; and (ii) the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority. <p>The amount of non-equity capital to be converted/ written-off will be determined by RBI.</p> <p>The Write-off of any Common Equity Tier 1 capital shall not be required before the write-off of any Non-equity (Additional Tier 1 and Tier 2) regulatory capital instrument. The order of write-off of the Bonds shall be as specified in the order of seniority as per this Information Memorandum and any other regulatory norms as may be stipulated by the RBI from time to time.</p> <p>The Bonds can be converted or written-down multiple times in case the Bank hits the PONV Trigger Level subsequent to the first conversion or write-down. The Bonds which has been written off shall not be written up.</p>

Such a decision would invariably imply that the write-off or issuance of any new shares as a result of conversion consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. The Bondholders shall not have any residual claims on the Bank (including any claims which are senior to ordinary shares of the Bank), following any trigger event. In any case it should be noted that following writing-off or conversion of the instruments and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or pari passu or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the Bonds and there is no right available to the Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.

For these purposes, the Bank may be considered as non-viable if:

The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the RBI unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the Bank should be considered as the most appropriate way to prevent the Bank from turning non-viable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the Reserve Bank.

The Bank facing financial difficulties and approaching a PONV will be deemed to achieve viability if within a reasonable time in the opinion of RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The

	<p>measures including augmentation of equity capital through write off of Bonds/conversion/ public sector injection of funds are likely to:</p> <ol style="list-style-type: none"> a. Restore depositors' /investors' confidence; b. Improve rating /creditworthiness of the Bank and thereby improve its borrowing capacity and liquidity and reduce cost of funds; and c. Augment the resource base to fund balance sheet growth in the case of fresh injection of funds. <p>The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.</p>
<p>Other Events</p>	<p><i>Treatment of Debentures in the event of Winding-Up:</i></p> <ol style="list-style-type: none"> (a) If the Bank goes into liquidation before the Bonds have been written-down, the Bonds will absorb losses in accordance with the order of Seniority as specified in this Information Memorandum and as per usual legal provisions governing distribution in a winding up. (b) If the Bank goes into liquidation after the Bonds have been written-down, the Bondholders will have no claim on the proceeds of liquidation. <p><i>Amalgamation of a banking company: (Section 44 A of BR Act, 1949)</i></p> <p>Subject to the provisions Banking Regulation Act, 1949 as amended from time to time:</p> <ol style="list-style-type: none"> (a) If the Bank is amalgamated with any other bank before the Bonds have been written-down, the Bonds will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. (b) If the Bank is amalgamated with any other bank after the Bonds have been written-down temporarily, the amalgamated entity can write-up the Bonds as per its discretion. (c) If the Bank is amalgamated with any other bank after the Bonds have been written-down permanently, these Bonds cannot be written up by the amalgamated entity. <p><i>Scheme of reconstitution or amalgamation of a banking company</i></p> <p>Subject to the provisions of Banking Regulation Act, 1949 as amended from time to time:</p> <p>If the relevant authorities decide to reconstitute the Bank or amalgamate the Bank with any other bank under the Section 45 of BR Act, 1949, the Bank will be deemed as non-viable or</p>

	approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for conversion/write-down of AT1 instruments will be activated. Accordingly, the Bonds will be fully converted/written-down permanently before amalgamation / reconstitution in accordance with these rules.
Repurchase/ Buy-Back / Redemption	<p>The outstanding Principal of the Bonds (e.g. through repurchase or redemption) can be repaid subject to the prior approval of RBI. The Bank shall repurchase/ Buy-Back / Redeem these bonds only if:</p> <ul style="list-style-type: none"> (a) The Bonds are replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the Bank; or (b) The Bank demonstrates that its capital position is well above the minimum capital requirements after the repurchase/buy-back / redemption. <p>Such Bonds may be held, reissued, resold, extinguished or surrendered, at the option of the issuer.</p>
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Mumbai, Maharashtra

7) Instrument Name	9%YBL AT-1 Bonds
Issuer	YES BANK Ltd. ("Issuer"/the "Bank")
Type of Instrument	Perpetual Subordinated Unsecured Non Convertible BASEL III compliant Additional Tier I Bonds in the nature of debentures of Rs. 10,00,000 each (each a " Bond " or " Debenture ")
Nature of Instrument	<p>Unsecured</p> <p>The bonds are neither secured nor covered by a guarantee of the Bank nor related entity or other arrangements that legally or economically enhances the seniority of the claim vis-à-vis other creditors of the Bank. Bondholders will not be entitled to receive notice of or attend or vote at any meeting of shareholders of issuer or participate in management of issuer.</p>
Seniority/Order of claim of Additional Tier I instruments	<p>The claims of the Bondholders in the Bonds shall:</p> <ul style="list-style-type: none"> (vi) be superior to the claims of investors in equity shares and perpetual non-cumulative preference shares issued by the Bank; (vii) be subordinated to the claims of depositors, general creditors and subordinated debt of the Bank other than any subordinated debt qualifying as Additional Tier 1 Capital

	<p>(as defined in the Basel III Guidelines);</p> <p>(viii) neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank;</p> <p>(ix) be pari passu with claims of holders of such subsequent debentures/bond issuances of the Bank, unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such existing and subsequent bond holders are senior or subordinate to the Bonds issued under this Disclosure Document or unless the RBI specifies otherwise in its guidelines;</p> <p>(x) rank pari passu without preference amongst themselves.</p> <p>Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of “Coupon Discretion”, “Loss Absorbency” & “Other Events” mentioned in this Disclosure Document.</p> <p>The Bonds shall not contribute to liabilities exceeding assets of the Bank if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise.</p>
Issue Size	Rs. 3000 Crore (Rupees Three Thousand Crore only) or such higher amounts, as may be raised pursuant to the exercise of the Green Shoe Option, in terms of which the Issuer has the right to retain oversubscription to the extent of an additional Rs. 3000 Crore (Rupees Three Thousand Crore).
Option to retain oversubscription	The amount of over-subscription, up to the maximum extent of an additional Rs. 3000 Crore (Rupees Three Thousand Crore), may be retained by the Bank pursuant to the exercise of the Green Shoe Option.
Mode of Issue	Private Placement
Eligible Investors	<p>The following class of investors are eligible to participate in the offer:</p> <p>Mutual Funds, Public Financial Institutions as defined in section 2(72) of the Companies Act, 2013, Scheduled Commercial Banks, Insurance Companies, Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds, Co-operative Banks, Regional Rural Banks authorized to invest in bonds/debentures, Companies and Bodies Corporate authorized to invest in bonds/ debentures, Societies authorized to invest in bonds/ debentures, Trusts authorized to invest in bonds/ debentures, Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/ debentures, etc., Foreign Portfolio Investors*, Non-Resident Indian**.</p>

	<p>This being a private placement Issue, the eligible investors who have been addressed through this communication directly, are only eligible to apply.</p> <p>Prior to making any investment in these Bonds, each investor should satisfy and assure himself/herself/itself that he/she/it is authorized and eligible to invest in these Bonds. The Bank shall be under no obligation to verify the eligibility/authority of the investor to invest in these Bonds. Further, mere receipt of this Disclosure Document by a person shall not be construed as any representation by the Bank that such person is authorized to invest in these Bonds or eligible to subscribe to these Bonds. If after applying for subscription to these Bonds and/or allotment of Bonds to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Bonds, the Bank shall not be responsible in any manner.</p> <p>The following class of investors are not eligible to participate in the offer:</p> <p>Resident Individual Investors, Foreign Nationals, any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards), Persons resident outside India (except Foreign Portfolio Investors and Non-Resident Indian), Venture Capital Funds, Alternative Investment Funds, Overseas Corporate Bodies, Partnership firms formed under applicable laws in India in the name of the partners, Hindu Undivided Families through Karta, Person ineligible to contract under applicable statutory/regulatory requirements.</p> <p><i>*Investment by Foreign Portfolio Investors in these Bonds raised in Indian Rupees shall be subject to compliance with terms and conditions stipulated by SEBI/other regulatory authorities on investment in these instruments and shall be within an overall limit of 49% of the Issue, respectively subject to the investment by each Foreign Portfolio Investor not exceeding 10% of the Issue.</i></p> <p><i>**Investment by Non-Resident Indians in these Bonds raised in Indian Rupees shall be subject to compliance with terms and conditions stipulated by RBI/ SEBI/other regulatory authorities on investment in these instruments and shall be within an overall limit of 24% of the Issue, respectively subject to the investment by each Non Resident Indian not exceeding 5% of the Issue.</i></p>
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from</p>

	the deemed date of allotment till the listing of such debt securities to the Investor
Credit Rating	'[ICRA] AA(hyb) Outlook Positive' by ICRA Ratings and 'AA/Stable' by India Ratings and Research Pvt. Ltd.
Objects of the Issue	Augmenting Additional Tier 1 Capital (as defined in the BASEL III Guidelines) and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources in accordance with RBI Guidelines.
Details of Utilization of Funds	The Bank shall utilize the proceeds of the issue for augmenting Additional Tier 1 Capital and overall capital base and for the purpose of its regular business activities & other associated business objectives.
Coupon Rate	9.00% p.a., subject to "Coupon Discretion" and/or "Loss Absorbency" (as the case may be) Please note that if the RBI and Central Government decide to reconstitute the Bank or amalgamate the Bank with any other bank under the Section 45 of Banking Regulation Act, 1949, or upon PONV, debentures may be written off in line with extant RBI guidelines.
Step Up/Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Annual, subject to "Coupon Discretion" and/or "Loss Absorbency" (as the case may be)
Coupon Payment Dates	Please Refer to Annexure IV
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap & floor etc.)	N.A.
Day Count Basis	Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the face value/principal outstanding at the Coupon rate rounded off to the nearest rupee. Interest Period means each period beginning on (and including) the deemed date of allotment(s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date/ Call Option Date (if exercised).
Interest on Application Money	Interest at the Coupon rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account upto one day prior to the Date of Allotment. Provided that, notwithstanding anything contained herein above, Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid Applications or Applications liable to be rejected including Applications made

	by persons ineligible to apply for and/or hold the Bonds.
Default Interest Rate	N.A.
Tenor	Perpetual
Redemption Date	N.A.
Redemption Amount	N.A. However in case of redemption due to exercise of call option or otherwise in accordance with RBI Guidelines, the Bonds shall be redeemed at par along with interest (subject to " Coupon Discretion ") accrued till one day prior to the Call Date subject to adjustments and/or write-off on account of " Coupon Discretion ", " Loss Absorbency " & " Other Events " mentioned in this Term Sheet.
Premium/Discount on Redemption	NIL
Issue Price	At Par (Rs. 10 Lacs per debenture)
Discount on Issue	NIL
Put Date	N.A.
Put Price	N.A.
Issuer Call Date	The Bank may or may not, at its sole discretion but subject always to the " Condition for exercise of call option ", elect to exercise a call on the Debentures (in whole but not in part) on the 5th anniversary of the Deemed Date of Allotment (the " Issuer Call Date ") or any Coupon Payment Date thereafter.
Call Price	At Par
Tax Call	<p>If there is any change in, or amendment to, the laws affecting taxation (or regulations or rulings promulgated thereunder) in India or any change in the official application of such laws, regulations or rulings (a "Tax Event") like the Issuer will no longer being entitled to claim a deduction in respect of computing its taxation liabilities with respect to coupon on the Bonds, Issuer may, at its option, redeem the Bonds, in whole but not in part, at a redemption price equal to outstanding principal amount subject to adjustment on account of "Loss Absorbency" & "Other Events" mentioned in this Term Sheet, together with any accrued but unpaid interest (subject to "Coupon Discretion") to (but excluding) the date fixed for exercising call option on such Bonds.</p> <p>Any redemption upon the occurrence of a Tax Event will be subject to the provisions described under "Call Notification Time" and conditions (ii) and (iii) enumerated under "Condition for exercise of Call Option".</p> <p>RBI may permit the Issuer to exercise the Tax Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Tax Event at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements</p>

	<p>after the call option is exercised.</p> <p>Potential Investors may note that approvals to be obtained from RBI to exercise call options are not routine and are subject to the discretion of RBI. Further, RBI shall, before providing such approvals, thoroughly consider the financial and capital position of the Bank or any other criteria or basis it deems fit.</p>
Regulatory Call	<p>If there is a change in the regulatory classification of the Bonds that occurs on or after the issue date of the Bonds (a “Regulatory Event”), Issuer may, at its option, redeem the Bonds, in whole but not in part, at a redemption price equal to outstanding principal amount subject to adjustment on account of “Loss Absorbency” & “Other Events” mentioned in this Term Sheet, together with any accrued but unpaid interest (subject to “Coupon Discretion”) to (but excluding) the date fixed for exercising call option on such Bonds. Any redemption upon the occurrence of a Regulatory Event will be subject to the provisions described under “Call Notification Time” and conditions (ii) and (iii) enumerated under “Condition for exercise of Call Option”</p> <p>RBI may permit the Issuer to exercise the Regulatory Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Regulatory Call at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the call option is exercised.</p> <p>Potential Investors may note that approvals to be obtained from RBI to exercise call options are not routine and are subject to the discretion of RBI. Further, RBI shall, before providing such approvals, thoroughly consider the financial and capital position of the Bank or any other criteria or basis it deems fit.</p>
Condition for exercise of Call Option	<p>Exercise of Call Option on the Bonds by the Bank will be subject to all the conditions mentioned below:</p> <ul style="list-style-type: none"> (iv) Call Option may be exercised only after a minimum period of five years from the Deemed Date of Allotment; (v) To exercise a call option the Bank shall require prior approval of RBI (Department of Banking Regulation); and (vi) Bank shall not exercise a call unless: <ul style="list-style-type: none"> (d) The Bond is replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the Bank; or (e) The Bank demonstrates that its capital position is well above the minimum capital requirements after the call option is exercised.

	(f) Please note that the Bank does not currently propose (or have any intention) to exercise the call option.
Put Notification Time	N.A.
Call Notification Time	Any redemption of the Bonds on account of exercise of Call Option shall be subject to the Issuer giving not less than 15 calendar days prior notice to the Bondholders and/or the Debenture Trustee.
Face Value	Rs. 10 Lacs per Debenture
Minimum Application	1 (One) Debentures and in multiples of 1 (One) Debentures thereafter
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	October 18,2017 October 18,2017 October 18,2017
Issuance Mode	In Demat mode only
Trading Mode	In Demat mode only
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/interest/redemption warrant(s)/demand draft(s)/credit through direct credit/NECS/RTGS/NEFT mechanism
Depository	NSDL & CDSL
Business Day Convention/Effect of Holidays	In pursuance of circular no. CIR/IMD/DF-1/122/2016 dated November 11, 2016 issued by SEBI, if any Coupon Payment Date falls on a day that is not a Business Day, the Coupon Payment shall be made by the Bank on the immediately succeeding Business Day and calculation of such coupon payment shall be as per original schedule as if such Coupon Payment Date were a Business Day. Further the future Coupon Payment Dates shall remain intact and shall not be disturbed because of postponement of such coupon payment on account of it falling on a non Business Day. In case the Call Option Date (if exercised) does not fall on a Business Day, the payment will be made on the preceding Business Day, along with coupon/interest accrued on the Bonds until but excluding the date of such payment.
Record Date	15 (Fifteen) days prior to each Coupon Payment Date/Call Option Date (as the case may be). In the event the Record Date falls on a day which is not a Business Day, the succeeding Business Day will be considered as Record Date
Security	Unsecured
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Letter appointing Axis Trustee Service Limited, as Trustee to the Bondholders; 2. Debenture Trusteeship Agreement/ Bond Trustee Agreement(as required);

	<ol style="list-style-type: none"> 3. Rating Letter from Credit Rating Agencies; 4. Tripartite Agreement between the Issuer; Registrar to the Issue and NSDL for issue of Bonds in dematerialized form; 5. Tripartite Agreement between the Issuer, Registrar to the Issue and CDSL for issue of Bonds in dematerialized form; 6. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; 7. Application made to BSE for seeking its in-principle approval for listing of Bonds; 8. Listing Agreement with BSE
<p>Conditions precedent to subscription of Bonds</p>	<p>The subscription from applicants shall be accepted for allocation and allotment by the Bank, subject to the following:</p> <ol style="list-style-type: none"> (a) A certified copy of a resolution of the shareholders of the Company should have been submitted to the Debenture Trustee: <ol style="list-style-type: none"> (i) Authorising the Board of Directors of the Company to borrow monies; and (ii) Setting out the authorisation under Section 42 of the Companies Act, 2013 read with the applicable rules in relation to the private placement of Debentures. (b) The Company shall have obtained an in-principle approval from BSE for listing of the Debentures. (c) The Company shall have received a letter from the Debenture Trustee that it has acknowledged and has agreed / consented to act as the Debenture Trustee. (d) Issuance of the Disclosure Document. (e) Rating Letters being made available from ICRA Ratings and India Ratings and Research Private Ltd.
<p>Conditions subsequent to subscription of Bonds</p>	<p>The Bank shall ensure that the following documents are executed/ activities are completed as per terms of this Disclosure Document:</p> <ol style="list-style-type: none"> (a) The Company shall ensure that the Debentures are listed and traded on the BSE within 20 (Twenty) days from the Deemed Date Allotment of the Debentures; (b) The Company shall ensure that upon issuance of the Debentures, the allotment and the dematerialised credit of the same occurs not later than 2 (two) days from the Deemed Date of Allotment; (c) The Company shall ensure that it files PAS-4 and PAS-3 with the Registrar of Companies, within the time limit set out under the Companies Act, 2013. (d) Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall not grant advances against the security of the Bonds issued by it.

Events of Default	<p>Not Applicable.</p> <p>It is further clarified that cancellation of discretionary payments shall not be deemed to be an event of default. The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p>
Treatment in Bankruptcy/Liquidation	<p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation. The Bond will not contribute to liabilities exceeding assets of the Bank if such a balance sheet forms part of a requirement to prove insolvency under any law or otherwise.</p>
Cross Default	<p>N.A.</p>
Dividend Stopper	<p>If any interest is cancelled, then from the date of which such cancellation has first been notified (a “Dividend Stopper Date”), the Bank will not:</p> <ul style="list-style-type: none"> (iii) Declare or pay any discretionary distribution or dividend or make any other payment on, or directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire its Common Equity Tier 1 Capital (other than to the extent that any such distribution, dividend or other payment is declared before such Dividend Stopper Date or where the terms of the instrument do not at the relevant time enable the Bank to cancel or defer such payment); or (iv) Pay discretionary interest or any other distribution on, or directly or indirectly redeem, purchase, cancel, reduce or otherwise acquire, any of its instruments or securities ranking, as to the right of payment of dividend, distributions or similar payments, pari passu with the Bonds (excluding securities the terms of which stipulate mandatory redemption). <p>In each case unless or until:</p> <ul style="list-style-type: none"> (v) the occurrence of the next Coupon Payment Date, following the Dividend Stopper Date, on which payment of Coupon amount has resumed and such Coupon (payable on such Coupon Payment Date) has been paid in full; (vi) the prior approval of the Bondholders has been obtained via an extraordinary resolution. It is hereby clarified that Coupon on the Bonds shall not be cumulative. If Coupon is cancelled or not paid or paid at a rate lesser than the Coupon Rate, such unpaid and/or cancelled Coupon will not be paid in future years. <p>For the avoidance of doubt, the Dividend Stopper will not:</p>

	<ul style="list-style-type: none"> (v) stop payment on another instrument where the payments on such an instrument are not fully discretionary; (vi) prevent distributions to shareholders for a period that extends beyond the point in time at which interest on the Bonds is resumed; (vii) impede the normal operation of the Bank, including actions in connection with employee share plans or any restructuring activity, including acquisitions and disposals; or (viii) impede the full discretion that the Bank has, at all times, to cancel Coupon or distributions or payments on the Bonds nor act in a way that could hinder the recapitalization of the Bank .
<p>Role and Responsibilities of Trustees to the Issue</p>	<p>The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the Trust Reposed in the Trustees by the Debenture Holder(s) and shall further conduct itself and complied with the provisions of all applicable laws including SEBI (Debenture Trustees) Regulations, 1993 provided that, the provisions of Sec. 20 of the Indian Trusts Act, 1882 shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees), Regulations, 1993, the Bond/Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents with due care, diligence and loyalty.</p> <p>The Trustees shall be vested with the requisite powers for protecting the interest of Debenture Holder(s). The Trustees shall ensure disclosure of all material events on an ongoing basis.</p>
<p>Coupon Discretion</p>	<ul style="list-style-type: none"> (vii) The Bank shall have full discretion at all times to cancel Coupon / any distributions / payments either in part or full. On cancellation of payment of Coupon, these payments shall be extinguished and the Bank shall have no obligation to make any distribution/Coupon payment in cash or kind. (viii) The Bonds do not carry a 'dividend pusher' feature i.e. if the Bank makes any payment (coupon/dividend) on any other capital instrument or share, the Bank shall not be obligated to make Coupon payment on the Bonds. (ix) Cancellation of Coupon/ distributions/ payments shall not be an event of default. (x) Bank shall have full access to cancelled Coupon to meet obligations as they fall due. (xi) Cancellation of Coupon shall not impose any restrictions on the Bank except in relation to distributions to common

stakeholders.

Coupons, unless cancelled by the Bank, shall be paid out of distributable items i.e., Coupon shall be paid out of current year profits. However, if current year profits are not sufficient, Coupons may be paid subject to availability of:

- (i) Profits brought forward from previous years; and/or
- (ii) Reserves representing appropriation of net profits, including statutory reserves, and excluding share premium, revaluation reserve, foreign currency translation reserve, investment reserve and reserves created on amalgamation.

The accumulated losses and deferred revenue expenditure, if any, shall be netted off from the aforesaid to arrive at the available balances for payment of Coupon. If the aggregate of: (a) profits in the current year; (b) profits brought forward from the previous years and (c) permissible reserves as mentioned above, excluding statutory reserves, net of accumulated losses and deferred revenue expenditure are less than the amount of Coupon, only then the Issuer shall make appropriation from the statutory reserves. In such a case, the Issuer shall be required to report to the Reserve Bank of India within 21 days from the date of such appropriation in compliance with Section 17(2) of the Banking Regulation Act 1949. However, prior approval of the Reserve Bank of India for appropriation of reserves as above, in terms of circular no. DBOD.BP.BCNo.31/21.04.018/2006-07 dated September 20, 2006 on 'Section 17(2) of Banking Regulation Act, 1949 on 'Appropriation from Reserve Fund' shall not be required in this regard.

However, payment of Coupons on the Debentures from the reserves is subject to the Issuer meeting minimum regulatory requirements for CET1, Tier 1 and Total Capital ratios (as stipulated in the Basel III Guidelines and/or other relevant guidelines issued by the RBI from time to time) at all times and subject to the requirements of capital buffer frameworks (i.e. capital conservation buffer and countercyclical capital buffer in terms of paragraph 15 and 17 respectively of the Basel III Guidelines dated July 1, 2015, as amended from time to time).

- (i) Coupon on the Bonds shall not be cumulative. If Coupon is cancelled or not paid or paid at a rate lesser than the Coupon Rate, such unpaid and/or cancelled Coupon will not be paid in future years.

	<p>(ii) The Bonds shall not have a credit sensitive coupon feature, i.e. a coupon that is reset periodically based in whole or in part on the Banks' credit standing. For this purpose, any reference rate including a broad index which is sensitive to changes to the Bank's own creditworthiness and/ or to changes in the credit worthiness of the wider banking sector will be treated as a credit sensitive reference rate.</p>
<p>Loss Absorbency</p>	<p>The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent) are issued subject to loss absorbency features applicable for non-equity capital instruments issued in terms of Basel III Guidelines and are subject to certain loss absorbency features as described herein and required of Additional Tier 1 instruments at Pre-Specified Trigger Level and at the PONV.</p> <p>Accordingly, without the need of the consent of Bondholders or Trustee, the Bonds and any claims or demands of any Bondholder or any other person claiming for or on behalf of or through such Bondholder, against the Bank, may be written-off, in whole or in part, upon the occurrence of the following trigger events:</p> <ul style="list-style-type: none"> (i) Pre-Specified Trigger Level; (ii) Point of Non-Viability. <p>(i) Loss Absorption at Pre-Specified Trigger Level</p> <p>If the CET1 of the Bank falls below 5.5% of RWA before 31st March, 2019 and if CET1 falls below 6.125% of RWA on or after 31st March 2019. Each of the trigger levels referred to hereinabove is called the "Pre-Specified Trigger Level"</p> <p>A write-off of the Bonds may have the following effects:</p> <ul style="list-style-type: none"> (i) reduce the claim of the Bond (up to nil) in liquidation; (ii) reduce the amount to be re-paid on the Bond when call is exercised (up to nil); (vii) partially or fully reduce Coupon payments on the Bond. <p>The write-down of any Common Equity Tier 1 capital shall not be required before a write-down of any AT1 instruments (including the Bonds). The Bank shall have full discretion to determine the amount of AT1 Instruments (including the Bonds) written down subject to the amount of write-down not exceeding the amount which would be required to bring CET1 ratio to 8% of RWAs. Further, the aggregate amount to be written-down for all AT1 Instruments on breaching the trigger</p>

	<p>level shall be at least the amount needed to immediately return the bank's CET1 ratio to the trigger level (i.e. CET from write-down generated under applicable Indian Accounting Standards or RBI Instructions net of contingent liabilities, potential tax liabilities etc., if any) or, if this is not possible the full principal value of the instruments. The Bank shall have the discretion to write-down the Bonds multiple times in case the Bank hits Pre-Specified Trigger Level subsequent to the first write-down. The Bonds which have been written off can be written up (partially or full) at the absolute discretion of the Bank and subject to compliance with RBI instructions (including permission, consent if any).</p> <p>(ii) Loss Absorption at the Point of Non-Viability ("PONV")</p> <p>A write-off of the Bonds at the PONV may have the following effects:</p> <ul style="list-style-type: none"> (i) reduce the claim of the Bond (up to nil) in liquidation; (ii) reduce the amount to be re-paid on the Bond when call is exercised (up to nil); iii) partially or fully reduce coupon payments on the Bond. <p>PONV trigger event shall be as defined in the aforesaid Basel III Guidelines and shall be determined by the RBI.</p> <p>RBI may in its imminence alter or modify the PONV trigger whether generally or in relation to the Bank or otherwise. In any case it should be noted that following writing-off of the Bonds and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or pari passu or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the Bonds and there is no right available to the Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.</p>
PONV	Without the need of the consent of Bondholders or Trustee, the Bonds (including all claims, demands on the Bonds and interest

thereon, whether accrued or contingent), at the option of the RBI, can be permanently written down upon the occurrence of the trigger event called **“Point of Non-Viability Trigger”** (“PONV Trigger”)

The PONV Trigger event is the earlier of:

- (iii) a decision that a permanent write-off without which the Bank would become non-viable, as determined by the Reserve Bank of India; and
- (iv) the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority.

The amount of non-equity capital to be written-off will be determined by RBI.

The Write-off of any Common Equity Tier 1 capital shall not be required before the write-off of any Non-equity (Additional Tier 1 and Tier 2) regulatory capital instrument. The order of write-off of the Bonds shall be as specified in the order of seniority as per this Information Memorandum and any other regulatory norms as may be stipulated by the RBI from time to time.

The Bonds can be written-down multiple times in case the Bank hits the PONV Trigger Level subsequent to the first write-down. The Bonds which has been written off shall not be written up.

Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. The Bondholders shall not have any residual claims on the Bank (including any claims which are senior to ordinary shares of the Bank), following any trigger event. In any case it should be noted that following writing-off of the instruments and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated. Unless otherwise specified in this Information Memorandum, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or pari passu or subordinate, and whether a Tier 1 capital or otherwise shall not be required before the write-off of any of the Bonds and there is no right available to the

	<p>Bondholder hereof or any other person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.</p> <p>For these purposes, the Bank may be considered as non-viable if:</p> <p>The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the RBI unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the Bank should be considered as the most appropriate way to prevent the Bank from turning non-viable. Such measures would include write-off of non-equity regulatory capital in combination with or without other measures as considered appropriate by the Reserve Bank.</p> <p>The Bank facing financial difficulties and approaching a PONV will be deemed to achieve viability if within a reasonable time in the opinion of RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including augmentation of equity capital through write off of Bonds/ public sector injection of funds are likely to:</p> <ul style="list-style-type: none"> d. Restore depositors’/investors’ confidence; e. Improve rating /creditworthiness of the Bank and thereby improve its borrowing capacity and liquidity and reduce cost of funds; and f. Augment the resource base to fund balance sheet growth in the case of fresh injection of funds. <p>The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.</p>
Other Events	<p><i>Treatment of Debentures in the event of Winding-Up:</i></p> <ul style="list-style-type: none"> (c) If the Bank goes into liquidation before the Bonds have been written-down, the Bonds will absorb losses in accordance with the order of Seniority as specified in this Information Memorandum and as per usual legal provisions governing distribution in a winding up. (d) If the Bank goes into liquidation after the Bonds have been written-down, the Bondholders will have no claim on the proceeds of liquidation. <p><i>Amalgamation of a banking company: (Section 44 A of BR Act, 1949)</i></p> <p>Subject to the provisions Banking Regulation Act, 1949 as</p>

	<p>amended from time to time:</p> <ul style="list-style-type: none"> (d) If the Bank is amalgamated with any other bank before the Bonds have been written-down, the Bonds will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. (e) If the Bank is amalgamated with any other bank after the Bonds have been written-down temporarily, the amalgamated entity can write-up the Bonds as per its discretion. (f) If the Bank is amalgamated with any other bank after the Bonds have been written-down permanently, these Bonds cannot be written up by the amalgamated entity. <p><i>Scheme of reconstitution or amalgamation of a banking company</i></p> <p>Subject to the provisions of Banking Regulation Act, 1949 as amended from time to time:</p> <p>If the relevant authorities decide to reconstitute the Bank or amalgamate the Bank with any other bank under the Section 45 of BR Act, 1949, the Bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for write-down of AT1 instruments will be activated. Accordingly, the Bonds will be written-down permanently before amalgamation / reconstitution in accordance with these rules.</p>
<p>Repurchase/ Buy-Back / Redemption</p>	<p>The outstanding Principal of the Bonds (e.g. through repurchase or redemption) can be repaid subject to the prior approval of RBI. The Bank shall repurchase/ Buy-Back / Redeem these bonds only if:</p> <ul style="list-style-type: none"> (c) The Bonds are replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the Bank; or (d) The Bank demonstrates that its capital position is well above the minimum capital requirements after the repurchase/buy-back / redemption. <p>Such Bonds may be held, reissued, resold, extinguished or surrendered, at the option of the issuer.</p>
<p>Governing Law and Jurisdiction</p>	<p>The Bonds are governed by and shall be construed in accordance with the laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Mumbai, Maharashtra</p>
<p>Reporting of Non -payment of Coupons</p>	<p>All instances of non-payment of coupon shall be notified by the Issuer to the Chief General Managers-in-Charge of Department of Banking Regulation and Department of Banking Supervision</p>

	of the Reserve Bank of India, Mumbai.
Re-capitalization	Nothing contained in this term sheet or Disclosure Documents or any other related documents to this Debenture shall hinder the recapitalization by the Issuer or require the Issuer to compensate in any way the investors/debenture holders if any new instrument is issued by the Issuer at a lower price during the tenor of the Debentures.
Reporting	Bank shall submit a report to the Chief General Manager-in-charge, Department of Banking Regulation, Reserve Bank of India, Mumbai giving details of the Issue along with the Disclosure Documents, soon after the Issue is completed.
"BASEL III Guidelines" or "RBI Guidelines"	<p>The term Basel-III Guidelines in the disclosure document & Term Sheet and notes to Term Sheet refers to Master circular no. RBI/2015 -16/ 58 DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 issued by the Reserve Bank of India on Basel III Capital Regulations and clarifications issued thereof vide Master Circular RBI/2015-16/285 DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 and RBI/2016-17/222 DBR.BP.BC.No.50/21.06.201/2016-17 dated February 02,2017 and amendments made thereto from time to time ("Master Circular") covering terms and conditions for issue of Perpetual Debt Instruments ("PDIs") for inclusion in Additional Tier 1 Capital (Annex 4 of the Master Circular) and minimum requirements to ensure loss absorbency of Additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the point of non-viability (Annex 16 of the Master Circular).</p> <p>In the event of any inconsistency in terms of the Bonds as laid down in any of the transaction document(s) and terms of the BASEL III Guidelines, the provisions RBI Circular on BASEL III Guidelines shall prevail.</p>

Tier II Instruments:

1) Instrument	Unsecured, Redeemable, Non Convertible, Subordinated Tier II Bonds in the nature of Debentures
Credit Rating	BWR AA+ (outlook: Stable) by Brickwork Ratings
Issue Size	Rs.200 Crore plus Green shoe option
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 years and 7 months
Coupon Rate	9.65% p.a.
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realization of funds till the date of allotment but excluding the date of allotment. Interest will be paid within 5 working days from date of allotment.
Interest Payment Date	Annually on September 30 and on Maturity
Record Date	For interest payment Record Date would be 30 days prior to Interest Date.
Put Option	None
Call Option	None
Step Up Option	NIL
Deemed Date of Allotment	September 30, 2009
Redemption	Bullet redemption at the end of 10 years 7 months from the date of allotment (with prior approval of RBI)
Maturity Date	April 30, 2020
Terms of Subordination	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors
Listing	Listing at the BSE Debt Segment
Trustee	IDBI Trusteeship Services Ltd.
Issuance & Trading	Demat Mode

2) Instrument	Unsecured, Redeemable, Non Convertible Subordinated bonds in the nature of debentures
Credit Rating	BWR AA+ by Brickwork Ratings, LAA- by ICRA and CARE AA- by CARE
Issue Size	Rs 300 Crores
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 years
Coupon Rate	9.65% p.a
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the deemed date of allotment but excluding the deemed date of allotment.
Interest Payment Date	Annually on 22 nd January and on redemption
Record Date	For interest payment Record Date would be 30 days prior to Interest Date.
Put Option	None
Call Option	None
Step Up Option	NIL
Deemed Date of Allotment	January 22, 2010
Redemption	Bullet redemption at par at the end of 10 year from the deemed date of allotment (with the prior approval of RBI)
Maturity Date	January 22, 2020
Terms of Subordination	The claims of the investor in Tier II Bonds shall be a) Superior to the claims of investors in instrument eligible for inclusion in Tier I capital , Upper Tier II capital, and b) Subordinate to the claims of all other creditors
Listing	BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	IDBI Trusteeship Services Ltd.
Issuance & Trading	Demat Mode

3) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Bonds in the nature of Debentures
Credit Rating	BWR AA+ by Brickwork Ratings and LAA- from ICRA
Issue Size	Rs 450 Crores
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	15 years from the date of allotment.
Redemption	Bullet at the end of 15 years from the date of allotment (with prior approval of RBI)
Coupon Rate	9.65% p.a
Interest Payment date	Annually on 14 th August and on redemption
Record Date	For interest payment Record Date would be 30 days prior to date of payment of Interest. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option	None
Call Option	Bank will have a Call option that is exercisable after 10 years from the date of allotment (exercisable only with RBI approval)
Step up Option	The step up option will be exercised after the completion of 10 years from the date of allotment if the call option is not exercised. The step up will be 70 bps over original coupon of the Bond.
Deemed Date of Allotment	August 14, 2010
Maturity Date	August 14, 2025
Lock - In clause	The Bank would not be liable to pay interest or principal if: 1. The Bank's capital to risk assets ratio (CRAR) falls below the minimum regulatory requirement prescribed by RBI 2. The impact of such payments results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank will pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid will be paid in the later years subject to the Bank complying with the above regulatory requirement.
Terms of Subordination	Pari passu among themselves and with other Upper Tier II indebtedness of the Bank, The claims of the investors in Upper Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier I capital and subordinate to the claims of all other creditors.
Listing	BSE Debt Segment

Trustee	Axis Trustee Services Limited
Issuance & Trading	Demat Mode

4) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Bonds in the nature of Debentures
Credit Rating	LAA- from ICRA and CARE AA- from CARE
Issue Size	Rs 100 Crore plus green shoe option of Rs 100 Crore
Face Value/Issue Price	Rs 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	15 years from the date of allotment.
Redemption	Bullet at the end of 15 years from the date of allotment (with prior approval of RBI)
Coupon Rate	9.50% p.a
Interest Payment date	Annually on September 8 th and on redemption
Interest Payment Frequency	Annual
Record Date	For interest payment Record Date would be 30 days prior to date of payment of Interest. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option	None
Call Option	Yes Bank will have a Call option that is exercisable after 10 years from the date of allotment (exercisable only with RBI approval)
Step up Option	The step up option will be exercised after the completion of 10 years from the date of allotment if the call option is not exercised. The step up will be 50 bps over original coupon of the Bond.
Deemed Date of Allotment	September 8, 2010
Maturity Date	September 8, 2025
Lock - In clause	The Bank would not be liable to pay interest or principal if: 1. The Bank's capital to risk assets ratio (CRAR) falls below the minimum regulatory requirement prescribed by RBI or 2. The impact of such payments results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid will be paid in the later years subject to the Bank complying with the above regulatory requirement.

Terms of Subordination	Pari passu among themselves and with other Upper Tier II indebtedness of the Bank, The claims of the investors in Upper Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier I capital and subordinate to the claims of all other creditors.
Listing	Proposed Listing at the BSE Debt Segment
Trustee	Axis Trustee Services Limited
Issuance & Trading	Demat Mode

5) Instrument	Unsecured, Redeemable, Non Convertible Subordinated Lower Tier II bonds in the nature of debentures
Credit Rating	LAA from ICRA and CARE AA from CARE
Issue Size	₹ 300 Crores plus green shoe option
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	115 months
Coupon Rate	9.30% p.a
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Interest Payment Date	September 30 each year
Put Option	None
Call Option	None
Step Up Option	NIL
Record Date	For interest payment Record Date would be 30 days prior to Interest Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be.
Redemption	Bullet redemption at par at the end of tenor of the bond (with the consent of RBI)
Date of allotment	September 30, 2010
Maturity	April 30, 2020
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Security	Unsecured
Trustee	Axis Trusteeship Services Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

6) Instrument	Unsecured, Redeemable, Non Convertible Subordinated Lower Tier II bonds in the nature of debentures
Credit Rating	LAA from ICRA and CARE AA from CARE
Issue Size	₹ 200 Crore plus green shoe option
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 Years
Coupon Rate	10.30% p.a
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Interest Payment Date	Annually on 25th July and on redemption
Put Option	None
Call Option	None
Step Up Option	NIL
Record Date	For interest payment and for redemption the Record Date would be 15 days prior to Interest Date/Maturity Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be.
Date of allotment	July 25, 2011
Maturity	July 25, 2021
Redemption	Bullet redemption at par at the end of tenor of the bond (with the consent of RBI)
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	Axis Trusteeship Services Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

7) Instrument	Unsecured, Redeemable, Non Convertible Subordinated Lower Tier II bonds in the nature of debentures
Credit Rating	LAA from ICRA and CARE AA from CARE
Issue Size	₹ 150 Crore plus green shoe option
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 Years
Coupon Rate	10.20 %p.a
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Interest Payment Date	Annually on October 28 and on redemption
Put Option	None
Call Option	None
Step Up Option	NIL
Record Date	For interest payment and for redemption the Record Date would be 15 days prior to Interest Date/Maturity Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Redemption	Bullet redemption at par at the end of tenor of the bond (with the consent of RBI)
Date of allotment	October 28, 2011
Maturity	October 28, 2021
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	Axis Trusteeship Services Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system.
Issuance & Trading	Demat Mode

8) Instrument	Unsecured, Redeemable, Non Convertible Lower Tier II Subordinated bonds in the nature of debentures
Credit Rating	[ICRA] AA from ICRA and CARE AA from CARE
Issue Size	₹ 100 Crore plus green shoe option
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 Years
Coupon Rate	9.90% p.a.
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Interest Payment Date	Annually on March 28 and on redemption
Put Option	None
Call Option	None
Record Date	For interest payment and for redemption the Record Date would be 15 days prior to Interest Date/Maturity Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Redemption	Bullet redemption at par at the end of tenor of the bond (with the consent of RBI)
Date of allotment	March 28, 2012
Maturity	March 28, 2022
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited
Trustee	Axis Trusteeship Services Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

9) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Bonds in the nature of Promissory Notes
Credit Rating	[ICRA] AA- from ICRA and CARE AA- from CARE
Issue Size	₹ 60 Crore
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	15 years from the date of allotment.
Redemption	Bullet at the end of 15 years from the date of allotment (with prior approval of RBI)
Coupon Rate	10.25% p.a
Interest Payment date	Annually on June 29 th and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option	Nil
Call Option	Yes Bank will have a Call option that is exercisable after 10 years from the date of allotment (exercisable only with RBI approval)
Step-Up Option	Nil
Lock - In clause	The Bank would not be liable to pay interest or principal if: 1. The Bank's capital to risk assets ratio (CRAR) falls below the minimum regulatory requirement prescribed by RBI or 2. The impact of such payments results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid will be paid in the later years subject to the Bank complying with the above regulatory requirement.
Record Date	For interest payment Record Date would be 15 days prior to date of payment of Interest. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/ Actual).
Terms of Subordination	Pari passu among themselves and with other Upper Tier II indebtedness of the Bank, The claims of the investors in Upper Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier I capital and subordinate to the claims of all other creditors.
Date of allotment	June 29, 2012
Maturity	June 29, 2027
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.

Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

10) Instrument	Unsecured, Redeemable Non Convertible, Lower Tier II Subordinated Bonds in the nature of Debentures
Credit Rating	[ICRA] AA from ICRA and CARE AA from CARE
Issue Size	₹ 300 Crore
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 years from the date of allotment.
Coupon Rate	10.00% p.a
Interest Payment date	Annually on August 23rd and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put/Call Option	Nil
Step Up option	Nil
Record Date	For interest payment and for redemption the Record Date would be 15 days prior to Interest Date/Maturity Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Date of allotment	August 23, 2012
Maturity	August 23, 2022
Redemption	Bullet at the end of 10 years from the date of allotment (with prior approval of RBI)
Listing	BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.
Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

11) Instrument	Unsecured, Redeemable Non Convertible, Lower Tier II Subordinated Bonds in the nature of Debentures
Credit Rating	[ICRA] AA from ICRA and CARE AA from CARE
Issue Size	₹ 300 Crore plus green Shoe Option
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 years
Coupon Rate	10.00% p.a
Interest Payment date	Annually on September 10 th and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Security	Unsecured
Put/Call Option	Nil
Step-Up Option	Nil
Record Date	For interest payment and for redemption the Record Date would be 15 days prior to Interest Date/Maturity Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Redemption	Bullet at the end of 10 years from the date of allotment (with prior approval of RBI)
Listing	Listing at the BSE Debt Segment
Date of allotment	September 10, 2012
Maturity	September 10, 2022
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.
Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

12) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Subordinated Bonds in the nature of Promissory Notes
Credit Rating	[ICRA] AA- from ICRA and CARE AA- from CARE
Issue Size	₹ 200 Crore
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	15 years from the date of allotment.

Redemption	Bullet at the end of 15 years from the date of allotment (with prior approval of RBI)
Coupon Rate	10.15% p.a
Interest Payment date	Annually on September 28 th and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option	Nil
Call Option	Yes Bank will have a Call option that is exercisable after 10 years from the date of allotment (exercisable only with RBI approval)
Step Up option	Nil
Lock - In clause	The Bank would not be liable to pay interest or principal if: 1. The Bank's capital to risk assets ratio (CRAR) falls below the minimum regulatory requirement prescribed by RBI or 2. The impact of such payments results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid will be paid in the later years subject to the Bank complying with the above regulatory requirement.
Record Date	For interest payment Record Date would be 15 days prior to date of payment of Interest. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Date of allotment	September 28, 2012
Maturity	September 28, 2027
Terms of Subordination	Pari passu among themselves and with other Upper Tier II indebtedness of the Bank, The claims of the investors in Upper Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier I capital and subordinate to the claims of all other creditors.
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.
Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

13) Instrument	Unsecured, Redeemable Non Convertible, Lower Tier II Subordinated Bonds in the nature of Promissory Notes
Credit Rating	[ICRA] AA from ICRA and CARE AA from CARE
Issue Size	₹ 200 Crore
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	10 years
Coupon Rate	10.00% p.a
Interest Payment date	Annually on October 16 th and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option / Call Option	Nil
Step Up Option	Nil
Record Date	For interest payment and for redemption the Record Date would be 15 days prior to Interest Date/Maturity Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Date of allotment	October 16, 2012
Maturity	October 16, 2022
Redemption	Bullet at the end of 10 years from the date of allotment (with prior approval of RBI)
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.
Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

14) Instrument	Unsecured, Redeemable Non Convertible, Lower Tier II Subordinated Bonds in the nature of Debentures
Credit Rating	[ICRA] AA from ICRA and CARE AA from CARE
Issue Size	₹ 200 Crore plus green shoe options
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application	1 Bond and in multiples of 1 Bond thereafter

Size	
Tenor	10 years
Coupon Rate	9.90% p.a
Interest Payment date	Annually on October 31 st and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option/ Call Option	Nil
Step-Up Option	Nil
Record Date	For interest payment and for redemption the Record Date would be 15 days prior to Interest Date/Maturity Date.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/ Actual).
Date of allotment	October 31, 2012
Maturity	October 31, 2022
Redemption	Bullet at the end of 10 years from the date of allotment (with prior approval of RBI)
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.
Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

15) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Bonds in the nature of Debentures
Credit Rating	[ICRA] AA- from ICRA and CARE AA- from CARE
Issue Size	₹ 140 Crore Green Shoe Option
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter
Tenor	15 years from the date of allotment.
Redemption	Bullet at the end of 15 years from the date of allotment (with prior approval of RBI)
Coupon Rate	10.25% p.a
Interest Payment date	Annually on November 10 th and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other

	statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option	Nil
Call Option	Yes Bank will have a Call option that is exercisable after 10 years from the date of allotment (exercisable only with RBI approval)
Step-Up Option	Nil
Lock - In clause	The Bank would not be liable to pay interest or principal if: 1. The Bank's capital to risk assets ratio (CRAR) falls below the minimum regulatory requirement prescribed by RBI or 2. The impact of such payments results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid will be paid in the later years subject to the Bank complying with the above regulatory requirement.
Record Date	For interest payment Record Date would be 15 days prior to date of payment of Interest. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Date of allotment	November 10, 2012
Maturity	November 10, 2027
Terms of Subordination	Pari passu among themselves and with other Upper Tier II indebtedness of the Bank, The claims of the investors in Upper Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier I capital and subordinate to the claims of all other creditors.
Listing	Listing at the BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.
Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system
Issuance & Trading	Demat Mode

16) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Bonds in the nature of Promissory Notes
Credit Rating	[ICRA] AA- from ICRA and CARE AA- from CARE
Issue Size	₹ 100 Crore plus Green Shoe Option
Face Value/Issue Price	₹ 10,00,000/- per Bond
Minimum Application Size	1 Bond and in multiples of 1 Bond thereafter

Tenor	15 years from the date of allotment.
Redemption	Bullet at the end of 15 years from the date of allotment (with prior approval of RBI)
Coupon Rate	10.05% p.a
Interest Payment date	Annually on December 27 th and on redemption
Interest Payment Frequency	Annual
Interest on application money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) will be paid on application money to the applicants from the date of realisation of funds till the date of allotment but excluding the date of allotment
Put Option	Nil
Call Option	Yes Bank will have a Call option that is exercisable after 10 years from the date of allotment (exercisable only with RBI approval)
Step-Up Option	Nil
Lock - In clause	The Bank would not be liable to pay interest or principal if: 1. The Bank's capital to risk assets ratio (CRAR) falls below the minimum regulatory requirement prescribed by RBI or 2. The impact of such payments results in Bank's CRAR falling below or remaining below the minimum regulatory requirement prescribed by RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid will be paid in the later years subject to the Bank complying with the above regulatory requirement.
Record Date	For interest payment Record Date would be 15 days prior to date of payment of Interest. In case of exercise of Call Option record date shall be 10 working days prior to date of call option.
Computation of Interest	Interest payable will be calculated on the basis of actual number of days elapsed in a year of 365 days or 366 days as the case may be (Actual/Actual).
Date of allotment	December 27, 2012
Maturity	December 27, 2027
Terms of Subordination	Pari passu among themselves and with other Upper Tier II indebtedness of the Bank, The claims of the investors in Upper Tier II instruments shall be superior to the claims of investors in instruments eligible for inclusion in Tier I capital and subordinate to the claims of all other creditors.
Listing	BSE Debt Segment
Depository	National Securities Depositories Limited & Central Depository Services (India) Limited.
Trustee	Axis Trustee Services Limited
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/ demand draft(s)/ credit through RTGS/NECS system

Issuance & Trading	Demat Mode
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17) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Bonds in the nature of debentures
Issue Size	EUR 13.25 million
Face Value/Issue Price	EUR 13.25 million
Tenor	15 years
Coupon Rate	6M EURIBOR +3.80%
Interest Payment Frequency	Semi-Annual
Interest Date	July & January 31 each year
Put/ Call Option	No Put Option, Call option exercisable after 10 years i.e. on September 30, 2019 & every 6 months thereafter (exercisable only with RBI approval)
Step up Option	100 basis points over and above coupon rate, if the call option is not exercised by the Bank
Deemed Date of Allotment	September 30, 2009
Maturity Date	September 30, 2024
Redemption	At the end of 15 years from the deemed date of allotment (with prior approval of RBI)
Lock-in-Clause	In terms of RBI circular no. DBOD.No.BP.BC.57/21.01.2002/2005-2006 dated January 25, 2006, on enhancement of banks' capital-raising options covering norms for raising of instruments eligible for inclusion under Upper Tier-II capital, these Bonds shall be subjected to a lock-in clause in terms of which the Bank shall not be liable to pay interest if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI or (b) 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 the RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid may be allowed to be paid in the later years subject to the Bank complying with the above regulatory requirement.
Issuance & Trading	Physical

18) Instrument	Unsecured, Redeemable Non Convertible, Upper Tier II Bonds in the nature of debentures
Issue Size	USD 75 million
Face Value/Issue Price	USD 1 million. Issued at par
Minimum Application Size	
Tenor	15 years
Coupon Rate	6M USD LIBOR +4.82%
Interest Payment Frequency	Semi-Annual
Interest on application money	
Interest Date	March & September 15 each year
Record Date	
Put/ Call Option	No Put Option, Call option exercisable after 10 years i.e. on March 28, 2022 & every 6 months thereafter (exercisable only with RBI approval)
Step up Option	NIL
Deemed Date of Allotment	March 30, 2012
Maturity Date	March 28, 2027
Redemption	At the end of 15 years from the deemed date of allotment (with prior approval of RBI)
Lock-in-Clause	In terms of RBI circular no. DBOD.No.BP.BC.57/21.01.2002/2005-2006 dated January 25, 2006, on enhancement of banks' capital-raising options covering norms for raising of instruments eligible for inclusion under Upper Tier-II capital, these Bonds shall be subjected to a lock-in clause in terms of which the Bank shall not be liable to pay interest if (a) the Bank's CRAR is below the minimum regulatory requirement prescribed by RBI or (b) 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 the RBI. However, the Bank may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss provided CRAR remains above the regulatory norm. The interest amount due and remaining unpaid may be allowed to be paid in the later years subject to the Bank complying with the above regulatory requirement.
Issuance & Trading	Physical

19) Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
Instrument	9.15% YBL Tier 2 Bonds 2025
Type of Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures for augmenting Tier 2 capital of the Issuer with face value of Rs.10,00,000 each (Bond)
Issue Size	Rs. 250 crores with a right to retain oversubscription. Issue closed at Rs 554.20 crore
Security	Unsecured
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <ul style="list-style-type: none"> (i) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital (ii) Subordinate to the claims of all Depositors, general Creditors & Non Capital Bonds and debentures outstanding of the Bank and (iii) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank. <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private placement
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p> <p>In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the NCDs are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality</p>
Rating of the Instrument	'ICRA AA+ Hyb' by ICRA & CARE AA+ by CARE
Objects of the Issue	Augmenting Tier II Capital (as defined in the Basel III Guidelines issued by RBI) and overall capital of the Issuer for

	strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for the business of the Bank.
Coupon Rate	9.15 % p.a.
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	June 29, 2016 and every year thereafter till maturity/redemption and subject to "Special Features", "PONV" mentioned below.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	Actual / Actual. i.e. Actual / 365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year)
Tenor	10 years from Deemed Date of Allotment
Redemption Date	June 30, 2025
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price / Face Value	Rs. 10,00,000/- per Debenture
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Minimum Application size	The minimum application size for the Issue shall be 50 (Fifty) Debentures and in multiples of 10 (Ten) Debentures thereafter
Deemed Date of Allotment:	June 29, 2015
Issuance mode of the Instrument	Demat & Physical
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, demand drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL/CDSL
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Events of Default	The Issuer has defaulted in relation to payment of the

	principal amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Trustee	Axis Trustee Services Ltd.
Loss Absorbency	<p>The bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide RBI Master Circular DBOD.No.BP.BC.6/21.06.201/2014-15 dated July 1, 2014 on Basel III capital regulations read along with RBI circular DBOD.No.BP.BC.38/21.06.201/2014-15 dated September 1, 2014 on Implementation of Basel III Capital Regulations in India - Amendments covering Criteria for inclusion of debt capital instruments as Tier 2 capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability ("PONV")</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid RBI Circular and shall determined by the RBI</p>
Point of Non Viability (PONV) and special features	<p>The present issue of Bonds is being made in pursuance of Master Circular DBOD.No.BP.BC.6/21.06.201/2014-15 dated July 1, 2014 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments as Tier 2 Capital and Minimum Requirements to ensure loss absorbency of Additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV read along with RBI circular DBOD.No.BP.BC.38/21.06.201/2014-15 dated September 1, 2014 on Implementation of Basel III Capital Regulations in India - Amendments and as amended from time to time. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the ' Point of Non-Viability (PONV) Trigger' stipulated below :</p> <p>PONV Trigger</p> <p>(i) The PONV Trigger event is the earlier of: decision that a write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 capital shall not</p>

be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.

(ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.

For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the Reserve Bank.

Write-off Features

These instruments are subject to write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished through write-off, such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 4.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.

Treatment in Bankruptcy / Liquidation The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in

accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of BR Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for write-down of these instruments will be activated. Accordingly, these instruments will be fully written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- a) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the Bank; and
- b) if left unattended, the weaknesses would inflict financial losses on the Bank and, thus, cause decline in its common equity level.

The purpose of write-off of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank. The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer

examination of the Bank's financial situation is warranted. The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the Bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the Bank would be through write-off alone or write-off in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Banks including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parent's portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank's capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Bank's capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated group's capital, the terms and conditions of that instrument must specify an additional trigger event.

The additional trigger event is the earlier of:

- a) a decision that write-off of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and
- b) the decision to make a public sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off of the Bonds consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.

	<p>In such cases, the subsidiary should obtain its regulator's approval/no-objection for allowing the capital instrument to be converted/written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
<p>Applicable RBI Guidelines</p>	<p>The present issue of Bonds is being made in pursuance of Master Circular DBOD.No.BP.BC.6/21.06.201/2014-15 dated July 1, 2014 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments, read along with RBI circular DBOD.No. BP.BC.38/21.06.201/2014-15 dated September 1, 2014 on Implementation of Basel III Capital Regulations in India - Amendments (as amended from time to time).</p>

20) Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
Instrument	8.90% YBL Tier 2 Bonds 2025
Issue Size	Rs. 15,00,00,00,000/- (Rupees Fifteen Hundred Crores only)
Type of Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures for augmenting Tier 2 capital of the Issuer with face value of Rs.10,00,000 each (Bond)
Nature of Instrument	Unsecured
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <p>(iv) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital</p> <p>(v) Subordinate to the claims of all Depositors, general Creditors & Non Capital Bonds and debentures outstanding of the Bank and</p> <p>(vi) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private placement
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p> <p>In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the NCDs are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality</p>
Rating of the Instrument	'ICRA AA+ Hyb' by ICRA & CARE AA+ by CARE
Objects of the Issue	Augmenting Tier II Capital (as defined in the Basel III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for

	the business of the Bank.
Coupon Rate	8.90%
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	December 31, 2016 and every year thereafter till maturity/redemption and subject to "Special Features", "PONV" mentioned below.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	Actual / Actual. i.e. Actual / 365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year)
Default Interest Rate	<p>In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to "Special Features", "PONV" mentioned below.</p> <p>Furthermore in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.</p>
Tenure	10 years from Deemed Date of Allotment
Redemption Date	December 31, 2025
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Minimum Application size	The minimum application size for the Issue shall be 50 (Fifty) Debentures and in multiples of 10 (Ten) Debentures thereafter

Deemed Date of Allotment:	December 31, 2015
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, demand drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL/CDSL
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Events of Default	The Issuer has defaulted in relation to payment of the principal amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Trustee	Axis Trustee Services Ltd.
Loss Absorbency	<p>The bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Basel III capital regulations covering Criteria for inclusion of debt capital instruments as Tier 2 capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability ("PONV")</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid RBI Circular and shall determined by the RBI</p>
Point of Non Viability (PONV) and special features	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments as Tier 2 Capital and Minimum Requirements to ensure loss absorbency of Additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the ' Point of Non-Viability (PONV) Trigger' stipulated below :</p> <p>PONV Trigger</p> <p>(i) The PONV Trigger event is the earlier of: decision that a conversion or write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of</p>

India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.

(ii) Such a decision would invariably imply that the write-off or issuance of any new shares as a result of conversion consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when conversion or write-off is undertaken.

For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the Reserve Bank.

Write-off Features

These instruments are subject to conversion or write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished either through conversion or write-off, such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 4.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger conversion or write-off.

Treatment in Bankruptcy / Liquidation The Bondholders shall

have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down/converted, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down/converted, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of BR Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for conversion/write-down of these instruments will be activated. Accordingly, these instruments will be fully converted/written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of conversion/write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- c) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the Bank; and
- d) if left unattended, the weaknesses would inflict financial losses on the Bank and, thus, cause decline in its common equity level.

The purpose of write-off and/or conversion of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank. The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer examination of the Bank’s financial situation is warranted. The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the Bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the Bank would be through write-off/conversion alone or write-off/conversion in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off/conversion.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Banks including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parent’s portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank’s capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Bank’s capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated group’s capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.

The additional trigger event is the earlier of:

- c) a decision that write-off/conversion of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and
- d) the decision to make a public sector injection of capital, or equivalent support, without which the Bank or the

	<p>subsidiary would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off /conversion of the Bonds consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.</p> <p>In such cases, the subsidiary should obtain its regulator’s approval/no-objection for allowing the capital instrument to be converted/written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
Applicable RBI Guidelines	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments.</p>

21) Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
Instrument	9.00% YBL Tier 2 Bonds 2026
Issue Size	Rs. 8,00,00,00,000/- (Rupees Eight Hundred Crores only)
Type of Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures for augmenting Tier 2 capital of the Issuer with face value of Rs.10,00,000 each (Bond)
Nature of Instrument	Unsecured
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <p>(vii) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital</p> <p>(viii) Subordinate to the claims of all Depositors, general Creditors & Non Capital Bonds and debentures outstanding of the Bank and</p> <p>(ix) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private placement
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p> <p>In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the NCDs are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality</p>
Rating of the Instrument	'ICRA AA+ Hyb' by ICRA & CARE AA+ by CARE
Objects of the Issue	Augmenting Tier II Capital (as defined in the Basel III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for

	the business of the Bank.
Coupon Rate	9.00%
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	January 15, 2017 and every year thereafter till maturity/redemption and subject to "Special Features", "PONV" mentioned below.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	Actual / Actual. i.e. Actual / 365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year)
Option to retain oversubscription	The amount of over-subscription will be refunded by the Bank
Details of the utilization of the Proceeds	<p>The proceeds realized by YES Bank from the Issue shall be utilized as per the Objects of the Issue.</p> <p>The proceeds of the issue are being raised to augment Tier 2 Capital under Basel III Capital Regulations as laid out by RBI. The proceeds of issue shall be utilized for regular business activities of the Bank.</p>
Default Interest Rate	<p>In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to "Special Features", "PONV" mentioned below.</p> <p>Furthermore in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.</p>
Tenure	10 years from Deemed Date of Allotment
Redemption Date	January 15, 2026
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable

Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Minimum Application size	The minimum application size for the Issue shall be 50 (Fifty) Debentures and in multiples of 10 (Ten) Debentures thereafter
Deemed Date of Allotment:	January 15, 2016
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, demand drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL/CDSL
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Events of Default	The Issuer has defaulted in relation to payment of the principal amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Trustee	Axis Trustee Services Ltd.
Loss Absorbency	<p>The bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Basel III capital regulations covering Criteria for inclusion of debt capital instruments as Tier 2 capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability ("PONV")</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid RBI Circular and shall determined by the RBI</p>
Point of Non Viability (PONV) and special features	The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments as Tier 2 Capital and Minimum Requirements to ensure loss absorbency of Additional Tier

PONV Trigger

instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below :

(i) The PONV Trigger event is the earlier of: decision that a conversion or write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.

(ii) Such a decision would invariably imply that the write-off or issuance of any new shares as a result of conversion consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when conversion or write-off is undertaken.

For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the Reserve Bank.

Write-off Features

These instruments are subject to conversion or write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished either through conversion or write-off, such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital

conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 4.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger conversion or write-off.

Treatment in Bankruptcy / Liquidation The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down/converted, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down/converted, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of BR Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for conversion/write-down of these instruments will be activated. Accordingly, these instruments will be fully converted/written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of conversion/write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-

viability, but in the views of RBI:

- e) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the Bank; and
- f) if left unattended, the weaknesses would inflict financial losses on the Bank and, thus, cause decline in its common equity level.

The purpose of write-off and/or conversion of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank. The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer examination of the Bank's financial situation is warranted. The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the Bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the Bank would be through write-off/conversion alone or write-off/conversion in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off/conversion.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Banks including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parent's portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank's capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Bank's capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated group's capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.

	<p>The additional trigger event is the earlier of:</p> <ul style="list-style-type: none"> e) a decision that write-off/conversion of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and f) the decision to make a public sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off /conversion of the Bonds consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. <p>In such cases, the subsidiary should obtain its regulator’s approval/no-objection for allowing the capital instrument to be converted/written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
<p>Applicable RBI Guidelines</p>	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments.</p>

22) Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
Instrument	9.05% YBL Tier 2 Bonds 2026
Issue Size	Rs. 5,00,00,00,000/- (Rupees Five Hundred Crores only)
Type of Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures for augmenting Tier 2 capital of the Issuer with face value of Rs.10,00,000 each (Bond)
Nature of Instrument	Unsecured
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <ul style="list-style-type: none"> (x) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital (xi) Subordinate to the claims of all Depositors, general Creditors & Non Capital Bonds and debentures outstanding of the Bank and (xii) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank. <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation. The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private placement
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE) The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p> <p>In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the NCDs are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality</p>
Rating of the Instrument	'ICRA AA+ Hyb' by ICRA & CARE AA+ by CARE
Objects of the Issue	Augmenting Tier II Capital (as defined in the Basel III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for

	the business of the Bank.
Coupon Rate	9.05%
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	January 20, 2017 and every year thereafter till maturity/redemption and subject to "Special Features", "PONV" mentioned below.
Coupon Type	Fixed
Day Count Basis	Actual / Actual. i.e. Actual / 365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year)
Default Interest Rate	<p>In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to "Special Features", "PONV" mentioned below.</p> <p>Furthermore in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.</p>
Tenure	10 years from Deemed Date of Allotment
Redemption Date	January 20, 2026
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Minimum Application size	The minimum application size for the Issue shall be 50 (Fifty) Debentures and in multiples of 10 (Ten) Debentures thereafter
Deemed Date of Allotment:	January 20, 2016

Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, demand drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL/CDSL
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Events of Default	The Issuer has defaulted in relation to payment of the principal amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Trustee	Axis Trustee Services Ltd.
Loss Absorbency	<p>The bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Basel III capital regulations covering Criteria for inclusion of debt capital instruments as Tier 2 capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability (“PONV”)</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid RBI Circular and shall determined by the RBI</p>
Point of Non Viability (PONV) and special features	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments as Tier 2 Capital and Minimum Requirements to ensure loss absorbency of Additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the ‘ Point of Non-Viability (PONV) Trigger’ stipulated below :</p> <p>PONV Trigger</p> <p>(i) The PONV Trigger event is the earlier of: decision that a conversion or write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of</p>

capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.

(ii) Such a decision would invariably imply that the write-off or issuance of any new shares as a result of conversion consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when conversion or write-off is undertaken.

For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the Reserve Bank.

Write-off Features

These instruments are subject to conversion or write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished either through conversion or write-off, such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 4.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger conversion or write-off.

Treatment in Bankruptcy / Liquidation The Bondholders shall have no rights to accelerate the repayment of future scheduled

payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down/converted, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down/converted, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of BR Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for conversion/write-down of these instruments will be activated. Accordingly, these instruments will be fully converted/written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of conversion/write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- g) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the Bank; and
- h) if left unattended, the weaknesses would inflict financial losses on the Bank and, thus, cause decline in its common equity level.

The purpose of write-off and/or conversion of the Bonds shall

be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank. The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer examination of the Bank’s financial situation is warranted. The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the Bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the Bank would be through write-off/conversion alone or write-off/conversion in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off/conversion.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Banks including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parent’s portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank’s capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Bank’s capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated group’s capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.

The additional trigger event is the earlier of:

- g) a decision that write-off/conversion of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and
- h) the decision to make a public sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as

	<p>determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off /conversion of the Bonds consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.</p> <p>In such cases, the subsidiary should obtain its regulator’s approval/no-objection for allowing the capital instrument to be converted/written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
<p>Applicable RBI Guidelines</p>	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments.</p>

25) Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures
Instrument	9.00% YBL Tier 2 Bonds 2026
Issue Size	Rs. 3,00,00,00,000/- (Rupees Three Hundred Crores only)
Type of Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures for augmenting Tier 2 capital of the Issuer with face value of Rs.10,00,000 each (Bond)
Nature of Instrument	Unsecured
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <p>(A) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital</p> <p>(B) Subordinate to the claims of all Depositors, general Creditors & Non Capital Bonds and debentures outstanding of the Bank and</p> <p>(C) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private placement
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment of the Bombay Stock Exchange (BSE). The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor.</p> <p>In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the NCDs are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality.</p>
Rating of the Instrument	'ICRA AA+ (hyb)' by ICRA & CARE AA+ by CARE
Objects of the Issue	Augmenting Tier II Capital (as defined in the Basel III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for

	the business of the Bank.
Coupon Rate	9.00%
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	March 31, 2017 and every year thereafter till maturity/redemption and subject to "Special Features", "PONV" mentioned below.
Coupon Type	Fixed
Day Count Basis	Actual / Actual. i.e. Actual / 365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year)
Option to retain oversubscription	The amount of over-subscription to be retained will be decided by the Bank
Default Interest Rate	<p>In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to "Special Features", "PONV" mentioned below.</p> <p>Furthermore in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.</p>
Tenure	10 years from Deemed Date of Allotment
Redemption Date	March 31, 2026
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable

Minimum Application size	The minimum application size for the Issue shall be 10 (Ten) Debentures and in multiples of 10 (Ten) Debentures thereafter
Deemed Date of Allotment:	March 31, 2016
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, demand drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL/CDSL
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Events of Default	The Issuer has defaulted in relation to payment of the principal amount / coupon / redemption premium due in respect of the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Trustee	Axis Trustee Services Ltd.
Loss Absorbency	<p>The bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide RBI Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Basel III capital regulations covering Criteria for inclusion of debt capital instruments as Tier 2 capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability (“PONV”)</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid RBI Circular and shall determined by the RBI</p>
Point of Non Viability (PONV) and special features	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments as Tier 2 Capital and Minimum Requirements to ensure loss absorbency of Additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the ‘ Point of Non-Viability (PONV) Trigger’ stipulated below :</p>

PONV Trigger

(i) The PONV Trigger event is the earlier of: decision that a conversion or write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.

(ii) Such a decision would invariably imply that the write-off or issuance of any new shares as a result of conversion consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when conversion or write-off is undertaken.

For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off / conversion of non-equity regulatory capital into common shares in combination with or without other measures as considered appropriate by the Reserve Bank.

Write-off Features

These instruments are subject to conversion or write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished either through conversion or write-off, such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 4.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach

at either level will trigger conversion or write-off.

Treatment in Bankruptcy / Liquidation: The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down/converted, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company:

If a bank is amalgamated with any other bank before these instruments have been written-down/converted, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of BR Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of non-viability for conversion/write-down of these instruments will be activated. Accordingly, these instruments will be fully converted/written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of conversion/write-down of various types of capital instruments:

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV:

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- i) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the Bank; and
- j) if left unattended, the weaknesses would inflict financial

losses on the Bank and, thus, cause decline in its common equity level.

The purpose of write-off and/or conversion of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank. The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer examination of the Bank' s financial situation is warranted. The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the Bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the Bank would be through write-off/conversion alone or write-off/conversion in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off/conversion.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Banks including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parent' s portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank' s capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Bank' s capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated group' s capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.

The additional trigger event is the earlier of:

- i) a decision that write-off/conversion of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and

	<p>j) the decision to make a public sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off /conversion of the Bonds consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.</p> <p>In such cases, the subsidiary should obtain its regulator's approval/no-objection for allowing the capital instrument to be converted/written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
Applicable RBI Guidelines	The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India covering Criteria for Inclusion of Debt Capital Instruments.

24) Security Name	7.80% YBL Tier 2 Bonds 2027
Issuer	YES Bank Limited ('the Bank'/'the Issuer')
Type of Instrument	Non-convertible, Redeemable, Unsecured, Basel III compliant Tier 2 Bonds in the nature of debentures for augmenting Tier 2 capital of the Issuer with face value of Rs.10,00,000 each (Bond)
Nature of Instrument	<p>Unsecured</p> <p>The bonds are neither secured nor covered by a guarantee of the Bank nor related entity or other arrangements that legally or economically enhances the seniority of the claim vis-à-vis other creditors of the Bank.</p> <p>Bondholders will not be entitled to receive notice of or attend or vote at any meeting of shareholders of issuer or participate in management of issuer.</p>
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <p>(xiii) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital</p> <p>(xiv) Subordinate to the claims of all depositors, general</p>

	<p>creditors of the Bank and</p> <p>(xv) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank.</p> <p>(xvi) rank <i>pari passu</i> without preference amongst themselves.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, “Point of Nonviability” (PONV) in the term sheet.</p>
Mode of Issue	Private placement
Eligible Investors	<p>The investor to whom this Disclosure Document is specifically addressed, is eligible to apply for this private placement of Debentures subject to fulfilling its respective investment norms/rules and compliance with laws applicable to it by submitting all the relevant documents along with the Application Form. The persons to whom the Disclosure Document has been circulated to, may include but not limited to:</p> <ol style="list-style-type: none"> 1. Financial Institutions: registered under the applicable laws in India which are duly authorized to invest in Bonds; 2. Insurance companies 3. Provident, Gratuity, Pension & Superannuation Funds 4. Regional Rural Banks 5. Mutual Funds 6. Companies, Bodies Corporate authorized to Invest in bonds 7. Trusts, Association of Persons, Societies registered under the applicable laws in India which are duly authorized to invest in bonds 8. FPIs 9. Individuals 10. Scheduled Commercial Banks 11. Co-operative Bank 12. Partnership Firms 13. HUF through Karta
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p>

	In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the Debentures are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality
Rating of the Instrument	'ICRA AA+(hyb)/ Outlook Positive' by ICRA &'IND AA+' by India Ratings
Issue Size	Rs. 25,00,00,00,000/- (Rupees Two Thousand Five Hundred Crores only) plus Greenshoe
Option to retain oversubscription	The amount of over-subscription, up to the maximum extent of an additional Rs. 500,00,00,000/- (Rupees Five Hundred Crores only), may be retained by the Bank pursuant to the exercise of the Green Shoe Option
Objects of the Issue	Augmenting Tier II Capital (as defined in the Basel III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for the business of the Bank.
Details of the utilization of the Proceeds	The proceeds realized by YES Bank from the Issue shall be utilized as per the Objects of the Issue. The proceeds of the issue are being raised to augment Tier 2 Capital under Basel III Capital Regulations as laid out by RBI. The proceeds of issue shall be utilized for regular business activities of the Bank.
Coupon Rate	7.80% p.a.
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	September 29, 2018 and every year thereafter till maturity/redemption and subject to "Special Features", "PONV" mentioned below.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the face value/principal outstanding at the Coupon rate rounded off to the nearest rupee. Interest Period means each period beginning on (and including) the Deemed Date Of Allotment (s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date.
Interest on Application Money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) and will be paid on application money to the applicants from the date

	<p>of transfer of funds in the Issuer's bank account upto 1(one) day prior to the date of allotment of Debentures.</p> <p>Provided that, notwithstanding anything contained herein above, Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid Applications or Applications liable to be rejected including Applications made by persons ineligible to apply for and/or hold the Bonds.</p>
Default Interest Rate	<p>In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to "Special Features", "PONV" mentioned below.</p> <p>Furthermore, in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.</p>
Tenure	10 years from Deemed Date of Allotment
Redemption Date	September 29, 2027
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Discount at which security is issued and the effective yield as a result of such discount	NA
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Face Value	Rs. 10,00,000/- per Debenture
Minimum Application size	The minimum application size for the Issue shall be 50 (Fifty) Debentures and in multiples of 10 (Ten) Debentures thereafter
Issue Opening Date	September 29, 2017

Issue Closing Date:	September 29, 2017
Pay-in Date:	September 29, 2017
Deemed Date of Allotment:	September 29, 2017
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, demand drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL/CDSL
Business Day Convention/Effect of Holidays	<p>If any of the Coupon Payment Date(s) (other than on Redemption Date(s)) fall on a day which is not a Business Day, or any day on which Real Time Gross Settlement (RTGS) or high value clearing does not take place in Mumbai, for any reason whatsoever, the payment due on such date may be made on the immediately succeeding Business Day however: (i) the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a day which is not a Business Day; and (ii) the amount of interest to be paid would be computed as per the schedule originally stipulated at the time of issuing the security.</p> <p>If the Redemption Date falls on a day which is not a Business Day, payment in respect of that Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one Business Day prior to the Redemption Date.</p>
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Transaction Documents	<ol style="list-style-type: none"> 1. Information memorandum 2. Trustee consent letter 3. Rating Letter from ICRA & India Ratings 4. Debenture trust deed 5. In principle approval from the stock exchange 6. Issue subscription application form
Conditions Precedent to Pay-In	<p>(f) A certified copy of a resolution of the shareholders of the Company should have been submitted to the Debenture Trustee:</p> <ol style="list-style-type: none"> (iii) Authorising the Board of Directors of the Company to borrow monies; and (iv) Setting out the authorisation under Section 42 of the Companies Act, 2013 read with the applicable rules in relation to the private placement of Debentures.

	<p>(g) The Company shall have obtained an in-principle approval from BSE for listing of the Debentures.</p> <p>(h) The Company shall have received a letter from the Debenture Trustee that it has acknowledged and has agreed / consented to act as the Debenture Trustee.</p> <p>(i) Issuance of the Disclosure Document.</p> <p>(j) Rating Letters from ICRA and India Ratings.</p>
Conditions Subsequent to the Date Deemed of Allotment	<p>(e) The Company shall ensure that the Debentures are listed and traded on the BSE within 20 (Fifteen) days from the Deemed Date Allotment of the Debentures;</p> <p>(f) The Company shall ensure that upon issuance of the Debentures, the allotment and the dematerialised credit of the same occurs not later than 2 (two) days from the Deemed Date of Allotment;</p> <p>(g) The Company shall ensure that it files PAS-4 and PAS-3 with the registrar of companies, within the time limit set out under the Companies Act, 2013.</p> <p>(h) Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall not grant advances against the security of the Bonds issued by it.</p>
Events of Default	The Issuer has defaulted in relation to payment of the principal amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders. All rights and remedies under the Transaction Documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee, for the benefit of the Debenture Holders, shall discharge the Company pro tanto to the Debenture Holders.
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the Courts in Mumbai shall have jurisdiction to determine any dispute arising in relation to the Debentures.
Loss Absorbency	The bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide Basel III Guidelines, as amended from time to time, which Basel III Guidelines cover criteria for inclusion of debt capital instruments as Tier 2 capital and minimum requirements to ensure loss

	<p>absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability (“PONV”)</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off, on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid Basel III Guidelines and shall determined by the RBI</p>
<p>Point of Non Viability (PONV) and special features</p> <p>PONV Trigger</p>	<p>The present issue of Bonds is being made in pursuance of Basel III Guidelines as amended from time to time . As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the ‘Point of Non-Viability (PONV) Trigger’ stipulated below :</p> <p>(i) The PONV Trigger event is the decision that write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.</p> <p>(ii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.</p> <p>For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off with or without other measures as considered appropriate by the Reserve Bank of India.</p> <p>Write-off Features</p>

These instruments are subject to write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished through write-off such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 5.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.

Treatment in Bankruptcy / Liquidation

The holders of Bonds shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of BR Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger, as applicable and the trigger at the point of non-viability for write-down of these instruments will be activated. Accordingly, these instruments will be fully written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- k) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the bank; and
- l) if left unattended, the weaknesses would inflict financial losses on the bank and, thus, cause decline in its common equity level.

The purpose of write-off of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank.

The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer examination of the bank's financial situation is warranted.

The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the bank would be through write-off alone or write-off in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Bank including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss

	<p>absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parents' portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank's capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Banks' capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated groups' capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.</p> <p>The additional trigger event is the earlier of:</p> <ul style="list-style-type: none"> k) a decision that write-off of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and l) the decision to make a public-sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off of the Bonds consequent upon the trigger event must occur prior to any public-sector injection of capital so that the capital provided by the public sector is not diluted. <p>In such cases, the subsidiary should obtain its regulator's approval/no-objection for allowing the capital instrument to be written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
<p>Applicable RBI Guidelines</p>	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India and Criteria for Inclusion of Debt Capital Instruments, and Clarification issued by RBI vide Master Circular RBI/2015-16/285 DBR.No.BP.BC.71/ 21.06.201/ 2015-16 dated January 14, 2016, and amendments made thereto from time to time</p>

25) Security Name	7.80% YBL Tier 2 Bonds OCT 2027
Issuer	YES Bank Limited ('the Bank'/'the Issuer')
Type of Instrument	Rated, Listed, Non-convertible, Redeemable, Unsecured, BASEL III compliant Tier 2 Bonds in the nature of Debentures for augmenting Tier 2 capital of the Issuer with Face Value of Rs.10,00,000 each (Bond)
Nature of Instrument	<p>Unsecured</p> <p>The bonds are neither secured nor covered by a guarantee of the Bank nor related entity or other arrangements that legally or economically enhances the seniority of the claim vis-à-vis other creditors of the Bank.</p> <p>Bond holders will not be entitled to receive notice of or attend or vote at any meeting of shareholders of issuer or participate in management of issuer.</p>
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <p>(xvii) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital</p> <p>(xviii) Subordinate to the claims of all depositors, general creditors of the Bank and</p> <p>(xix) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank.</p> <p>(xx) rank <i>pari passu</i> without preference amongst themselves.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private Placement
Eligible Investors	<p>The investor to whom this Disclosure Document is specifically addressed, is eligible to apply for this private placement of Debentures subject to fulfilling its respective investment norms/rules and compliance with laws applicable to it by submitting all the relevant documents along with the Application Form. The persons to whom the Disclosure Document has been circulated to, may include but not limited to:</p> <p>14. Financial Institutions: registered under the applicable laws in India which are duly authorized to invest in Bonds;</p> <p>15. Insurance companies</p>

	<p>16. Provident, Gratuity, Pension & Superannuation Funds</p> <p>17. Regional Rural Banks</p> <p>18. Mutual Funds</p> <p>19. Companies, Bodies Corporate authorized to Invest in bonds</p> <p>20. Trusts, Association of Persons, Societies registered under the applicable laws in India which are duly authorized to invest in bonds</p> <p>21. FPIs</p> <p>22. Individuals</p> <p>23. Scheduled Commercial Banks</p> <p>24. Co-operative Bank</p> <p>25. Partnership Firms</p> <p>26. HUF through Karta</p>
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p> <p>In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the Debentures are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality</p>
Rating of the Instrument	'ICRA AA+(hyb)/ Outlook Positive' by ICRA & 'IND AA+' by India Ratings
Issue Size	Rs. 10,00,00,00,000/- (Rupees One Thousand Crore only) plus Greenshoe
Option to retain oversubscription	The amount of over-subscription, up to the maximum extent of an additional Rs. 500,00,00,000/- (Rupees Five Hundred Crores only), may be retained by the Bank pursuant to the exercise of the Green Shoe Option
Objects of the Issue	Augmenting Tier 2 Capital (as defined in the BASEL III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for the business of the Bank.
Details of the utilization of the Proceeds	<p>The proceeds realized by YES Bank from the Issue shall be utilized as per the Objects of the Issue.</p> <p>The proceeds of the issue are being raised to augment Tier 2 Capital under BASEL III Capital Regulations as laid out by RBI. The proceeds of issue shall be utilized for regular business activities of the Bank.</p>
Coupon Rate	7.80% p.a.

Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	October 3, 2018 and every year thereafter till maturity/redemption and subject to “Special Features”, “PONV” mentioned below.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	<p>Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the Face Value/principal outstanding at the Coupon Rate rounded off to the nearest rupee.</p> <p>Interest Period means each period beginning on (and including) the Deemed Date of Allotment (s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date.</p>
Interest on Application Money	<p>Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) and will be paid on application money to the applicants from the date of transfer of funds in the Issuer’s bank account upto 1(one) day prior to the date of allotment of Debentures.</p> <p>Provided that, notwithstanding anything contained herein above, Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid Applications or Applications liable to be rejected including Applications made by persons ineligible to apply for and/or hold the Bonds.</p>
Default Interest Rate	<p>In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to “Special Features”, “PONV” mentioned below.</p> <p>Furthermore, in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.</p>
Tenure	9 Years 11 Months & 28 Days from the Deemed Date of Allotment (Three Thousand Six Hundred & Fifty Days (3650 Days) from the Deemed Date of Allotment)
Redemption Date	October 1, 2027

Redemption Amount	At par
Redemption Premium/ Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Discount at which security is issued and the effective yield as a result of such discount	NA
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Face Value	Rs. 10,00,000/- per Debenture
Minimum Application size	The minimum application size for the Issue shall be 10 (Ten) Debentures and in multiples of 10 (Ten) Debentures thereafter
Issue Opening Date	October 3, 2017
Issue Closing Date:	October 3, 2017
Pay-in Date:	October 3, 2017
Deemed Date of Allotment:	October 3, 2017
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, Demand Drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL and CDSL
Business Day Convention/Effect of Holidays	If any of the Coupon Payment Date(s) (other than on Redemption Date(s)) fall on a day which is not a Business Day, or any day on which Real Time Gross Settlement (RTGS) or high value clearing does not take place in Mumbai, for any reason whatsoever, the payment due on such date may be made on the immediately succeeding Business Day however: (i) the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a day which is not a Business Day; and (ii) the amount of interest to be paid would be computed as per the schedule originally stipulated at the time of issuing the security.

	<p>If the Redemption Date falls on a day which is not a Business Day, payment in respect of that Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one Business Day prior to the Redemption Date.</p>
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Transaction Documents	<ol style="list-style-type: none"> 7. Information memorandum 8. Trustee consent letter 9. Rating Letter from ICRA & India Ratings 10. Debenture trust deed 11. In principle approval from the stock exchange 12. Issue subscription application form
Conditions Precedent to Pay-In	<ol style="list-style-type: none"> (k) A certified copy of a resolution of the shareholders of the Company should have been submitted to the Debenture Trustee: <ol style="list-style-type: none"> (v) Authorising the Board of Directors of the Company to borrow monies; and (vi) Setting out the authorisation under Section 42 of the Companies Act, 2013 read with the applicable rules in relation to the private placement of Debentures. (l) The Company shall have obtained an in-principle approval from BSE for listing of the Debentures. (m) The Company shall have received a letter from the Debenture Trustee that it has acknowledged and has agreed / consented to act as the Debenture Trustee. (n) Issuance of the Disclosure Document. (o) Rating Letters from ICRA and India Ratings.
Conditions Subsequent to the Date Deemed of Allotment	<ol style="list-style-type: none"> (i) The Company shall ensure that the Debentures are listed and traded on the BSE within 20 (Twenty) days from the Deemed Date Allotment of the Debentures; (j) The Company shall ensure that upon issuance of the Debentures, the allotment and the dematerialised credit of the same occurs not later than 2 (two) days from the Deemed Date of Allotment; (k) The Company shall ensure that it files PAS-4 and PAS-3 with the Registrar of Companies, within the time limit set out under the Companies Act, 2013. (l) Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall not grant advances against the security of the Bonds issued by it.
Events of Default	The Issuer has defaulted in relation to payment of the principal

	amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders. All rights and remedies under the Transaction Documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee, for the benefit of the Debenture Holders, shall discharge the Company pro tanto to the Debenture Holders.
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the Courts in Mumbai shall have jurisdiction to determine any dispute arising in relation to the Debentures.
Loss Absorbency	<p>The Bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide BASEL III Guidelines, as amended from time to time, which BASEL III Guidelines cover criteria for inclusion of Debt Capital Instruments as Tier 2 Capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability (“PONV”)</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off, on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid BASEL III Guidelines and shall determined by the RBI</p>
Point of Non Viability (PONV) and special features	<p>The present issue of Bonds is being made in pursuance of Basel III Guidelines as amended from time to time. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the ‘Point of Non-Viability (PONV) Trigger’ stipulated below :</p> <p>(iii) The PONV Trigger event is the decision that write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 Capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.</p>
PONV Trigger	

(iv) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.

For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off with or without other measures as considered appropriate by the Reserve Bank of India.

Write-off Features

These instruments are subject to write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished through write-off such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 5.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.

Treatment in Bankruptcy/ Liquidation

The holders of Bonds shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been

written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of Banking Regulation Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger, as applicable and the trigger at the point of non-viability for write-down of these instruments will be activated. Accordingly, these instruments will be fully written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- m) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the bank; and
- n) if left unattended, the weaknesses would inflict financial losses on the bank and, thus, cause decline in its common equity level.

The purpose of write-off of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to

determine the non-viability of the Bank.

The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non-viability and, therefore, a closer examination of the bank's financial situation is warranted.

The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the bank would be through write-off alone or write-off in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Bank including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parents' portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank's capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Banks' capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated groups' capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.

The additional trigger event is the earlier of:

- m) a decision that write-off of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and
- n) the decision to make a public-sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as determined by

	<p>the Reserve Bank of India. Such a decision would invariably imply that the write-off of the Bonds consequent upon the trigger event must occur prior to any public-sector injection of capital so that the capital provided by the public sector is not diluted.</p> <p>In such cases, the subsidiary should obtain its regulator's approval/no-objection for allowing the capital instrument to be written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
Applicable RBI Guidelines	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India and Criteria for Inclusion of Debt Capital Instruments, and Clarification issued by RBI vide Master Circular RBI/2015-16/285 DBR.No.BP.BC.71/ 21.06.201/ 2015-16 dated January 14, 2016, and amendments made thereto from time to time</p>

26) Security Name	8.73% YBL Tier 2 Bonds FEB 2028
Issuer	YES Bank Limited ('the Bank'/'the Issuer')
Type of Instrument	Rated, Listed, Non-convertible, Redeemable, Unsecured, BASEL III compliant Tier 2 Bonds in the nature of Debentures for augmenting Tier 2 capital of the Issuer with Face Value of Rs.10,00,000 each (Bond)
Nature of Instrument	<p>Unsecured</p> <p>The bonds are neither secured nor covered by a guarantee of the Bank nor related entity or other arrangements that legally or economically enhances the seniority of the claim vis-à-vis other creditors of the Bank.</p> <p>Bond holders will not be entitled to receive notice of or attend or vote at any meeting of shareholders of issuer or participate in management of issuer.</p>
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <p>(xxi) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital</p> <p>(xxii) Subordinate to the claims of all depositors, general creditors of the Bank and</p>

	<p>(xxiii) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank.</p> <p>(xxiv) rank <i>pari passu</i> without preference amongst themselves.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private Placement
Eligible Investors	<p>The investor to whom this Disclosure Document is specifically addressed, is eligible to apply for this private placement of Debentures subject to fulfilling its respective investment norms/rules and compliance with laws applicable to it by submitting all the relevant documents along with the Application Form. The persons to whom the Disclosure Document has been circulated to, may include but not limited to:</p> <ol style="list-style-type: none"> 27. Financial Institutions: registered under the applicable laws in India which are duly authorized to invest in Bonds; 28. Insurance companies 29. Provident, Gratuity, Pension & Superannuation Funds 30. Regional Rural Banks 31. Mutual Funds 32. Companies, Bodies Corporate authorized to Invest in bonds 33. Trusts, Association of Persons, Societies registered under the applicable laws in India which are duly authorized to invest in bonds 34. FPIs 35. Individuals 36. Scheduled Commercial Banks 37. Co-operative Bank 38. Partnership Firms 39. HUF through Karta
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the BSE Limited (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p> <p>In case the Debentures are allotted to any SEBI registered FPIs</p>

	/sub accounts of FPIs and the Debentures are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality.
Rating of the Instrument	'ICRA AA+(hyb)/ Outlook Positive' by ICRA & 'IND AA+/ Outlook Stable' by India Ratings
Issue Size	Rs. 3000,00,00,000/- (Rupees Three Thousand Crore only)
Option to retain oversubscription	NA
Objects of the Issue	Augmenting Tier 2 Capital (as defined in the BASEL III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-term resources. Proceeds of the Bonds raised will be utilized for the business of the Bank.
Details of the utilization of the Proceeds	<p>The proceeds realized by YES Bank from the Issue shall be utilized as per the Objects of the Issue.</p> <p>The proceeds of the issue are being raised to augment Tier 2 Capital under BASEL III Capital Regulations as laid out by RBI. The proceeds of issue shall be utilized for regular business activities of the Bank.</p>
Coupon Rate	8.73% p.a.
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	February 22, 2019 and every year thereafter till maturity/redemption and subject to "Special Features", "PONV" mentioned below.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	<p>Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the Face Value/principal outstanding at the Coupon Rate rounded off to the nearest rupee.</p> <p>Interest Period means each period beginning on (and including) the Deemed Date of Allotment (s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date.</p>
Interest on Application Money	Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) and will be paid on application money to the applicants from the date of transfer of funds in the Issuer's bank account upto 1(one) day prior to the date of allotment of Debentures.

	Provided that, notwithstanding anything contained herein above, Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid Applications or Applications liable to be rejected including Applications made by persons ineligible to apply for and/or hold the Bonds.
Default Interest Rate	<p>In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to "Special Features", "PONV" mentioned below.</p> <p>Furthermore, in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.</p>
Tenure	10 Years from the Deemed Date of Allotment
Redemption Date	February 22, 2028
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Face Value	Rs. 10,00,000/- per Debenture
Minimum Application size	The minimum application size for the Issue shall be 10 (Ten) Debentures and in multiples of 1 (One) Debenture thereafter
Issue Opening Date	February 22, 2018
Issue Closing Date:	February 22, 2018

Pay-in Date:	February 22, 2018
Deemed Date of Allotment:	February 22, 2018
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, Demand Drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL and CDSL
Business Day Convention/Effect of Holidays	<p>If any of the Coupon Payment Date(s) (other than on Redemption Date(s)) fall on a day which is not a Business Day, or any day on which Real Time Gross Settlement (RTGS) or high value clearing does not take place in Mumbai, for any reason whatsoever, the payment due on such date may be made on the immediately succeeding Business Day however: (i) the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a day which is not a Business Day; and (ii) the amount of interest to be paid would be computed as per the schedule originally stipulated at the time of issuing the security.</p> <p>If the Redemption Date falls on a day which is not a Business Day, payment in respect of that Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one Business Day prior to the Redemption Date.</p>
Record Date	<p>The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures.</p> <p>If any of the Record Date(s) fall on a day which is not a Business Day, the record date shall be considered on the immediately preceding Business Day.</p>
Transaction Documents	<p>13. Information memorandum 14. Trustee consent letter 15. Rating Letter from ICRA & India Ratings 16. Debenture trust deed 17. In principle approval from the stock exchange 18. Issue subscription application form</p>
Conditions Precedent to Pay-In	<p>(p) A certified copy of a resolution of the shareholders of the Company should have been submitted to the Debenture Trustee: (vii) Authorising the Board of Directors of the Company to borrow monies; and</p>

	<p>(viii) Setting out the authorisation under Section 42 of the Companies Act, 2013 read with the applicable rules in relation to the private placement of Debentures.</p> <p>(q) The Company shall have obtained an in-principle approval from BSE for listing of the Debentures.</p> <p>(r) The Company shall have received a letter from the Debenture Trustee that it has acknowledged and has agreed / consented to act as the Debenture Trustee.</p> <p>(s) Issuance of the Disclosure Document.</p> <p>(t) Rating Letters from ICRA and India Ratings.</p>
Conditions Subsequent to the Date Deemed of Allotment	<p>(m) The Company shall ensure that the Debentures are listed and traded on the BSE within 20 (Twenty) days from the Deemed Date Allotment of the Debentures;</p> <p>(n) The Company shall ensure that upon issuance of the Debentures, the allotment and the dematerialised credit of the same occurs not later than 2 (two) days from the Deemed Date of Allotment;</p> <p>(o) The Company shall ensure that it files PAS-4 and PAS-3 with the Registrar of Companies, within the time limit set out under the Companies Act, 2013.</p> <p>(p) Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall not grant advances against the security of the Bonds issued by it.</p>
Events of Default	The Issuer has defaulted in relation to payment of the principal amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders. All rights and remedies under the Transaction Documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee, for the benefit of the Debenture Holders, shall discharge the Company pro tanto to the Debenture Holders.
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the Courts in Mumbai shall have jurisdiction to determine any dispute arising in relation to the Debentures.
Loss Absorbency	The Bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide BASEL III

	<p>Guidelines, as amended from time to time, which BASEL III Guidelines cover criteria for inclusion of Debt Capital Instruments as Tier 2 Capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability (“PONV”)</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off, on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid BASEL III Guidelines and shall determined by the RBI</p>
<p>Point of Non Viability (PONV) and special features</p> <p>PONV Trigger</p>	<p>The present issue of Bonds is being made in pursuance of Basel III Guidelines as amended from time to time. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence of the trigger event, called the ‘Point of Non-Viability (PONV) Trigger’ stipulated below :</p> <p>(v) The PONV Trigger event is the decision that write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 Capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.</p> <p>(vi) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.</p> <p>For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures</p>

would include write-off with or without other measures as considered appropriate by the Reserve Bank of India.

Write-off Features

These instruments are subject to write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished through write-off such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 5.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.

Treatment in Bankruptcy / Liquidation

The holders of Bonds shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of Banking Regulation Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger, as

applicable and the trigger at the point of non-viability for write-down of these instruments will be activated. Accordingly, these instruments will be fully written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- o) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the bank; and
- p) if left unattended, the weaknesses would inflict financial losses on the bank and, thus, cause decline in its common equity level.

The purpose of write-off of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank.

The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer examination of the bank's financial situation is warranted.

The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the bank would be through write-off alone or write-off in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off.

	<p>As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Bank including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parents' portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank's capital. However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Banks' capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated groups' capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.</p> <p>The additional trigger event is the earlier of:</p> <ul style="list-style-type: none"> o) a decision that write-off of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and p) the decision to make a public-sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off of the Bonds consequent upon the trigger event must occur prior to any public-sector injection of capital so that the capital provided by the public sector is not diluted. <p>In such cases, the subsidiary should obtain its regulator's approval/no-objection for allowing the capital instrument to be written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
<p>Applicable RBI Guidelines</p>	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India and</p>

	Criteria for Inclusion of Debt Capital Instruments, and Clarification issued by RBI vide Master Circular RBI/2015-16/285 DBR.No.BP.BC.71/ 21.06.201/ 2015-16 dated January 14, 2016, and amendments made thereto from time to time
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27) Security Name	9.1164 % YBL Tier 2 Bonds September 2028
Issuer	YES Bank Limited ('the Bank'/'the Issuer')
Type of Instrument	Rated, Listed, Non-convertible, Redeemable, Unsecured, BASEL III compliant Tier 2 Bonds in the nature of Debentures for augmenting Tier 2 capital of the Issuer with Face Value of Rs.10,00,000 each (Bond)
Nature of Instrument	<p>Unsecured</p> <p>The bonds are neither secured nor covered by a guarantee of the Bank nor related entity or other arrangements that legally or economically enhances the seniority of the claim vis-à-vis other creditors of the Bank.</p> <p>Bond holders will not be entitled to receive notice of or attend or vote at any meeting of shareholders of issuer or participate in management of issuer.</p>
Seniority	<p>Claims of the Investors in the Instruments shall be:</p> <p>(xxv) Senior to the claims of Investors in Instruments eligible for inclusion in Tier 1 Capital</p> <p>(xxvi) Subordinate to the claims of all depositors, general creditors of the Bank and</p> <p>(xxvii) These Bonds shall neither be secured nor covered by a guarantee of the Issuer or its related entity or other arrangement that legally or economically enhances the seniority of the claim vis -à-vis creditors of the Bank.</p> <p>(xxviii) rank <i>pari passu</i> without preference amongst themselves.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation.</p> <p>The claims of the bondholders shall be subject to the provisions mentioned in the point Special Features, "Point of Nonviability" (PONV) in the term sheet.</p>
Mode of Issue	Private Placement
Eligible Investors	The investor to whom this Disclosure Document is specifically addressed, is eligible to apply for this private placement of Debentures subject to fulfilling its respective investment

	<p>norms/rules and compliance with laws applicable to it by submitting all the relevant documents along with the Application Form. The persons to whom the Disclosure Document has been circulated to, may include but not limited to:</p> <ol style="list-style-type: none"> 40. Financial Institutions: registered under the applicable laws in India which are duly authorized to invest in Bonds; 41. Insurance companies 42. Provident, Gratuity, Pension & Superannuation Funds 43. Regional Rural Banks 44. Mutual Funds 45. Companies, Bodies Corporate authorized to Invest in bonds 46. Trusts, Association of Persons, Societies registered under the applicable laws in India which are duly authorized to invest in bonds 47. FPIs 48. Individuals 49. Scheduled Commercial Banks 50. Co-operative Bank 51. Partnership Firms 52. HUF through Karta
Listing	<p>This issue of Debentures will be listed on Wholesale Debt Market (WDM) Segment the Bombay Stock Exchange (BSE)</p> <p>The Issue will be listed within 20 days from the deemed date of allotment. In case of delay in listing, Bank will pay penal interest of 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the Investor</p> <p>In case the Debentures are allotted to any SEBI registered FPIs /sub accounts of FPIs and the Debentures are not listed within 15 days then Bank shall immediately redeem/buyback the said securities from the FPIs/sub-accounts of FPIs in such an eventuality</p>
Rating of the Instrument	CARE AAA; Stable by CARE Ratings and 'IND AA+' Outlook: Stable by India Ratings & Research Pvt. Ltd.
Issue Size	Rs. 3000,00,00,000/- (Rupees Three Thousand Crore only) plus Greenshoe option to retain additional amount
Option to retain oversubscription	The amount of over-subscription, up to the maximum extent of an additional Rs. 1000,00,00,000/- (Rupees One Thousand Crore only), may be retained by the Bank pursuant to the exercise of the Green Shoe Option
Objects of the Issue	Augmenting Tier 2 Capital (as defined in the BASEL III Guidelines issued by RBI) and overall capital of the Issuer for strengthening its capital adequacy and for enhancing its long-

	term resources. Proceeds of the Bonds raised will be utilized for the business of the Bank.
Details of the utilization of the Proceeds	<p>The proceeds realized by YES Bank from the Issue shall be utilized as per the Objects of the Issue.</p> <p>The proceeds of the issue are being raised to augment Tier 2 Capital under BASEL III Capital Regulations as laid out by RBI. The proceeds of issue shall be utilized for regular business activities of the Bank.</p>
Coupon Rate	9.1164 % p.a.
Step Up/ Step Down Coupon Rate	NA
Coupon Payment Frequency	Annual
Coupon Payment Date	September 17, 2019 and every year thereafter till maturity/redemption and subject to “ Special Features ”, “ PONV ” mentioned below.
Coupon Type	Fixed
Coupon Reset Process	NA
Day Count Basis	<p>Interest for each of the interest periods shall be computed as per Actual / Actual day count conversion on the Face Value/principal outstanding at the Coupon Rate rounded off to the nearest rupee.</p> <p>Interest Period means each period beginning on (and including) the Deemed Date of Allotment (s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date.</p>
Interest on Application Money	<p>Interest on application money will be the same as the Coupon rate (subject to deduction of Tax at Source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961 or any other statutory modifications or re-enactment thereof) and will be paid on application money to the applicants from the date of transfer of funds in the Issuer’s bank account up to 1(one) day prior to the date of allotment of Debentures.</p> <p>Provided that, notwithstanding anything contained herein above, Bank shall not be liable to pay any interest on monies liable to be refunded in case of invalid Applications or Applications liable to be rejected including Applications made by persons ineligible to apply for and/or hold the Bonds.</p>
Default Interest Rate	In relation to the principal amount and coupon payable in respect of the Debentures, in case the same is not paid on the respective Due Dates, the defaulted amounts shall carry further interest at the rate of 2% (Two Percent) per annum over and above the Coupon Rate, from the date of occurrence of such default up to the date on which the defaulted amounts together with default interest is paid, and subject to “ Special Features ”, “ PONV ” mentioned below.

	Furthermore, in the event that the Debentures are not listed on the WDM segment of the BSE within a period of 20 (Twenty) days from the Deemed Date of Allotment, the Issuer shall pay a default interest at the rate of 1% (One Percent) per annum over and above the Coupon Rate for the period commencing from 30 (Thirty) calendar days from the Deemed Date of Allotment till the date the Debentures are listed on the WDM of the BSE.
Tenure	9 Years, 11 Months and 29 Days from the Deemed Date of Allotment
Redemption Date	September 15, 2028
Redemption Amount	At par
Redemption Premium / Discount	Not Applicable
Issue Price	Rs. 10,00,000/- per Debenture
Discount at which security is issued and the effective yield as a result of such discount	NA
Put Option	Not Applicable
Put option date	Not Applicable
Put option price	Not Applicable
Put notification time	Not Applicable
Call Option	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Call notification time	Not Applicable
Face Value	Rs. 10,00,000/- per Debenture
Minimum Application size	The minimum application size for the Issue shall be 10 (Ten) Debentures and in multiples of 1 (One) Debentures thereafter
Issue Opening Date	September 14, 2018
Issue Closing Date:	September 14, 2018
Pay-in Date:	September 17, 2018
Deemed Date of Allotment:	September 17, 2018
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	Cheques, Demand Drafts, interest/ redemption warrants, pay order, direct credit, ECS, NEFT, RTGS, other online payment mechanism as are permitted by the Reserve Bank of India
Depositories	NSDL and CDSL
Business Day Convention/Effect of Holidays	If any of the Coupon Payment Date(s) (other than on Redemption Date(s)) fall on a day which is not a Business Day, or any day on which Real Time Gross Settlement (RTGS) or high

	<p>value clearing does not take place in Mumbai, for any reason whatsoever, the payment due on such date may be made on the immediately succeeding Business Day however: (i) the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the Debentures. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a day which is not a Business Day; and (ii) the amount of interest to be paid would be computed as per the schedule originally stipulated at the time of issuing the security.</p> <p>If the Redemption Date falls on a day which is not a Business Day, payment in respect of that Redemption Amount (along with interest accrued on the Debentures until but excluding the date of such payment) shall be made one Business Day prior to the Redemption Date.</p>
Record Date	The date falling 15 (Fifteen) days prior to any Due Date in relation to the Debentures
Transaction Documents	<p>19. Information memorandum</p> <p>20. Trustee consent letter</p> <p>21. Rating Letter from CARE Ratings & India Ratings</p> <p>22. Debenture Trust Deed</p> <p>23. In principle approval from the stock exchange</p> <p>24. Issue subscription application form</p>
Conditions Precedent to Pay-In	<p>(u) A certified copy of a resolution of the shareholders of the Company should have been submitted to the Debenture Trustee:</p> <p>(ix) Authorising the Board of Directors of the Company to borrow monies; and</p> <p>(x) Setting out the authorisation under Section 42 of the Companies Act, 2013 read with the applicable rules in relation to the private placement of Debentures.</p> <p>(v) The Company shall have obtained an in-principle approval from BSE for listing of the Debentures.</p> <p>(w) The Company shall have received a letter from the Debenture Trustee that it has acknowledged and has agreed / consented to act as the Debenture Trustee.</p> <p>(x) Issuance of the Disclosure Document.</p> <p>(y) Rating Letters from India Ratings and CARE Ratings.</p>
Conditions Subsequent to the Date Deemed of Allotment	<p>(q) The Company shall ensure that the Debentures are listed and traded on the BSE within 20 (Twenty) days from the Deemed Date Allotment of the Debentures;</p> <p>(r) The Company shall ensure that upon issuance of the Debentures, the allotment and the dematerialised credit of</p>

	<p>the same occurs not later than 2 (two) days from the Deemed Date of Allotment;</p> <p>(s) The Company shall ensure that it files PAS-4 and PAS-3 with the Registrar of Companies, within the time limit set out under the Companies Act, 2013.</p> <p>(t) Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor would the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall not grant advances against the security of the Bonds issued by it.</p>
Events of Default	The Issuer has defaulted in relation to payment of the principal amount / coupon / redemption premium due in respect the Debentures. The investor must have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.
Provisions related to Cross Default Clause	Not applicable
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders. All rights and remedies under the Transaction Documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee, for the benefit of the Debenture Holders, shall discharge the Company pro tanto to the Debenture Holders.
Governing Law and Jurisdiction	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the Courts in Mumbai shall have jurisdiction to determine any dispute arising in relation to the Debentures.
Loss Absorbency	<p>The Bonds shall be subjected to loss absorbency features applicable for non-equity capital instruments vide BASEL III Guidelines, as amended from time to time, which BASEL III Guidelines cover criteria for inclusion of Debt Capital Instruments as Tier 2 Capital and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the Point of Non-viability (“PONV”)</p> <p>Accordingly, the Bonds may at the option of RBI either be permanently written off or temporarily written off, on the occurrence of the trigger event called the Point of Non Viability (PONV). PONV trigger event shall be as defined in the aforesaid BASEL III Guidelines and shall determined by the RBI</p>
Point of Non Viability (PONV) and special features	The present issue of Bonds is being made in pursuance of Basel III Guidelines as amended from time to time. As per the extant instructions issued by RBI, these Bonds, at the option of the Reserve Bank of India, shall be written off upon the occurrence

PONV Trigger

of the trigger event, called the 'Point of Non-Viability (PONV) Trigger' stipulated below :

- (vii) The PONV Trigger event is the decision that write-off without which the firm would become nonviable, is necessary, as determined by the Reserve Bank of India; and the decision to make a public sector injection of capital, or equivalent support, without which the firm would have become non-viable, as determined by the relevant authority. The Write-off of any Common Equity Tier 1 Capital shall not be required before the write off of any Non-Equity (Additional Tier-I and Tier 2) regulatory capital instrument.
- (viii) Such a decision would invariably imply that the write-off consequent upon the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of these instruments shall not provide for any residual claims on the issuer which are senior to ordinary shares of the bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.

For the purpose of the above, a non-viable bank will be: A bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the Reserve Bank of India unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the bank should be considered as the most appropriate way to prevent the bank from turning nonviable. Such measures would include write-off with or without other measures as considered appropriate by the Reserve Bank of India.

Write-off Features

These instruments are subject to write-off upon the occurrence of the trigger event called PONV as determined by Reserve Bank of India. The amount of non-equity capital to be written-off will be determined by RBI. When a bank breaches the PONV trigger and the equity is replenished through write-off such replenished amount of equity will be excluded from the total equity of the bank for the purpose of determining the

proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the bank has attained total Common Equity ratio as defined in Table Minimum Capital Required under section 5.19 without counting the replenished equity capital, that point onwards, the bank may include the replenished equity capital for all purposes. The trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write-off.

Treatment in Bankruptcy / Liquidation

The holders of Bonds shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer.

If a bank goes into liquidation before these instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges. If a bank goes into liquidation after these instruments have been written-down, the holders of these instruments will have no claim on the proceeds of liquidation.

Amalgamation of a banking company

If a bank is amalgamated with any other bank before these instruments have been written-down, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. If a bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been written-down permanently, these cannot be written-up by the Amalgamated entity. If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of Banking Regulation Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger, as applicable and the trigger at the point of non-viability for write-down of these instruments will be activated. Accordingly, these instruments will be fully written-down permanently before amalgamation / reconstitution in accordance with these rules.

Order of write-down of various types of capital instruments

The capital instruments shall be written-off in order in which they would absorb losses in a gone concern situation. The capital instruments shall absorb losses in accordance with the order of seniority and as per usual legal provisions governing

priority of charges.

Criteria to Determine the PONV

The above framework will be invoked when the Bank is adjudged by Reserve Bank of India to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:

- q) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the bank; and
- r) if left unattended, the weaknesses would inflict financial losses on the bank and, thus, cause decline in its common equity level.

The purpose of write-off of the Bonds shall be to shore up the capital level of the Bank. RBI would follow a two-stage approach to determine the non-viability of the Bank.

The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non- viability and, therefore, a closer examination of the bank's financial situation is warranted.

The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the bank is about to become non-viable. These criteria would be evaluated together and not in isolation.

Once the PONV is confirmed, the next step would be to decide whether rescue of the bank would be through write-off alone or write-off in conjunction with public sector injection of funds.

The trigger at PONV shall be evaluated both at consolidated and solo level and breach at either level shall trigger write-off.

As the capital adequacy is applicable both at solo and consolidated levels, the minority interests in respect of capital instruments issued by subsidiaries of the Bank including overseas subsidiaries can be included in the consolidated capital of the banking group only if these instruments have pre-specified triggers/loss absorbency at the PONV. The cost to the parent of its investment in each subsidiary and the parents' portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated as per AS-21. So, in case of wholly-owned subsidiaries, it would not matter whether or not it has same characteristics as the Bank's capital.

	<p>However, in the case of less than wholly owned subsidiaries, minority interests constitute additional capital for the banking group over and above what is counted at solo level; therefore, it should be admitted only when it (and consequently the entire capital in that category) has the same characteristics as the Banks' capital. In addition, if the Bank wishes the instrument issued by its subsidiary to be included in the consolidated groups' capital, in addition to its solo capital, the terms and conditions of that instrument must specify an additional trigger event.</p> <p>The additional trigger event is the earlier of:</p> <ul style="list-style-type: none"> q) a decision that write-off of the Bonds, without which the Bank or the subsidiary would become non-viable, is necessary, as determined by the Reserve Bank of India; and r) the decision to make a public-sector injection of capital, or equivalent support, without which the Bank or the subsidiary would have become non-viable, as determined by the Reserve Bank of India. Such a decision would invariably imply that the write-off of the Bonds consequent upon the trigger event must occur prior to any public-sector injection of capital so that the capital provided by the public sector is not diluted. <p>In such cases, the subsidiary should obtain its regulator's approval/no-objection for allowing the capital instrument to be written-off at the additional trigger point referred above.</p> <p>Any common stock paid as compensation to the holders of the Bonds must be common stock of either the issuing subsidiary or the Bank (including any successor in resolution).</p>
<p>Applicable RBI Guidelines</p>	<p>The present issue of Bonds is being made in pursuance of Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 issued by the RBI, covering Prudential Guidelines on Implementation of Basel III Capital Regulations in India amendments made thereto from time to time</p>