RBI/2015-16/428
DBR.BP.BC.No.105/21.06.001/2015-16

June 23, 2016

All Commercial Banks
(Excluding Local Area Banks and Regional Rural Banks)

Dear Sir,

Reporting Requirements under Basel III Capital Regulations- Review

Please refer to the Annexures 3 and 4 of the Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Basel III Capital Regulations in terms of which banks are permitted to raise perpetual non-cumulative preference shares (PNCPS) and perpetual debt instruments (PDI) for inclusion in Additional Tier 1 capital. Further, in terms of the Annexures 5 and 6, banks are also allowed to raise debt capital instruments, perpetual cumulative preference shares (PCPS) / redeemable non-cumulative preference shares (RNCPS) / redeemable cumulative preference shares (RCPS) for inclusion in Tier 2 capital.

2. In terms of the extant instructions contained in the Master Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on Basel III Capital Regulations, banks are required to submit a report to the Chief General Manager-In-Charge, Department of Banking Regulation, Reserve Bank of India, Mumbai, giving the details of the debt raised, including the terms of the issue with a copy of the offer document soon after the issue is completed. The above measures were intended to ensure that the debt/capital raised by banks in India are in compliance with Basel III Capital Regulations. However, as more than three years have since been elapsed from the date of implementation of Basel III Capital Regulations in India, it is expected that the systems and processes in this regard have stabilized. Accordingly, on a review of the extant instructions, it has been decided that banks need not submit a copy of the offer document to Reserve Bank of India, as hitherto. Banks shall however, report to the Principal Chief
General Manager, Department of Banking Regulation, Reserve Bank of India, Mumbai, the details of the debt raised as per the format prescribed below duly certified by the compliance officer of the bank. The compliance with the Basel III Capital regulations will continue to be examined by our Department of Banking Supervision, in course of the supervisory evaluation.

Format- Reporting of Capital Issuances

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Issue Size</th>
<th>Instrument</th>
<th>Deemed Date of Allotment</th>
<th>Coupon</th>
<th>Tenor</th>
<th>Credit Rating</th>
<th>Put Option</th>
<th>Call Option</th>
<th>Redemption/Maturity</th>
<th>Whether Private Placement or otherwise</th>
</tr>
</thead>
</table>

3. Banks may also email a soft copy of such details in excel format to Email.

4. Banks shall however, continue to obtain and keep on their records a certificate from statutory auditors and an external legal opinion in terms of paragraphs 2.5 and 3.1(v) of Annex 16 of the Master Circular on Basel III Capital Regulations dated July 1, 2015.

Yours faithfully,

(Sudarshan Sen)
Principal Chief General Manager