CREDIT SUISSE
Credit Suisse AG, Mumbai branch

Basel III – Pillar 3 disclosures for the period ended Mar 31, 2018

Table DF – 1: Scope of Application

The disclosures and analysis provided herein below are in respect of the Mumbai Branch ('the Bank') of Credit Suisse AG which is incorporated in Switzerland with limited liability and its associate Credit Suisse Finance (India) Private Limited ('CS Finance') a Non-Banking Finance Company. The Bank and CS Finance together constitute "The Consolidated Bank" in line with the Reserve Bank of India ("RBI") guidelines on the preparation of consolidated prudential returns. Also, the disclosures herein below are solely in the context of local regulatory requirements and guidelines prescribed by the Reserve Bank of India (RBI) under Pillar 3 - Market Discipline of the Basel III guidelines. The Pillar 3 disclosures are designed to complement the minimum capital requirements in Pillar 1 and the Supervisory Review and Evaluation Process in Pillar 2. The aim of Pillar 3 is to promote market discipline by allowing market participants access to information of risk exposures and risk management policies and process adopted by the bank.

For the purpose of consolidated prudential regulatory reporting, the consolidated Bank includes unaudited results as at Mar 31, 2018 of the above mentioned NBFC as required by RBI in its circular on "Financial Regulation of Systemically Important NBFC's and Bank's relationship with them" vide circular ref. DBOD.No.FSD.BC.46/24.01.028/2006-07 dated December 12, 2006 read with "Guidelines for consolidated accounting and other quantitative methods to facilitate consolidated supervision" vide circular ref. DBOD. No. BP.BC. 72 /21.04.018/2001-02 dated February 25, 2003.

Presently, the Accounting Standard (AS) 21 on Consolidated Accounting is not applicable to the India operations of Credit Suisse AG since none of its Indian subsidiaries are owned by the Branch in Mumbai. The Bank does not have any interest in insurance entities.

References have been made in this submission to Global practices as the Bank in India is operating as branch of the Global Bank.

(i) Qualitative Disclosure

a. List of entities considered for Consolidation

Name of the entity / Country of incorp-oration	Included under accounting scope of consolidation (yes / no)	Method of consoli-dation	Included under regulatory scope of consolid-ation (yes / no)	Method of consolid-ation	Reasons for difference in the method of consolidation	Reasons if consolidated under only one of the scopes of consolidation
Credit Suisse Finance (India) Private Limited	No	NA	Yes	Line by line consolidation method as per AS-21	NA	As per the RBI circular number DBOD.No.FSD.BC.46/24.01.028/2006-07 dated December 12, 2006 the Branch is not required to publish consolidated financial statements as per AS-21

Credit Suisse AG
Mumbai Branch

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

(Rs. in '000)

Name of the entity / country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)	% of bank's holding in the total equity	Regulatory treatment of bank's investments in the capital instruments of the entity	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
Credit Suisse Securities (India) Private Limited	Registered as a stock broker, merchant banker, underwriter and portfolio manager.	11,621,586	-	NA	44,189,765
Credit Suisse Services India Private Limited	Information Technology / Information Technology Enabled Services to Group companies.	11,344,888	-	NA	22,636,276
Credit Suisse Services AG Services Pune Branch	Information Technology / Information Technology Enabled Services to Group companies.	2,345,760	-	NA	2,511,126
Credit Suisse Business Management (India) Private Limited	Business support services to Credit Suisse Trust entities situated outside India	82,094	-	NA	93,146
Credit Suisse Consulting (India) Private Limited	Consultancy services to Group companies	162,912	-	NA	205,284
Credit Suisse Business Analytics (India) Private Limited	Information Technology / Information Technology Enabled Services Group companies.	3,116,900	-	NA	3,870,352

Note: The balances in the table above are based on unaudited financials of 31 March 2018.

(ii) Quantitative Disclosure

c. List of entities considered for Consolidation

(Rs. in '000s)

Name of the entity / country of incorporation	Principle activity of the entity	Total balance sheet equity *(as stated in the accounting balance sheet of the legal entity)*	Total balance sheet assets *(as stated in the accounting balance sheet of the legal entity)*
Credit Suisse Finance (India) Private Ltd.	NBFC	18,410,158	21,558,362

Note: The balances in the table above are based on unaudited financials of 31 March 2018.

Credit Suisse AG
Mumbai
Branch

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

Not applicable as there are no subsidiaries of the Bank.

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

As of Mar 31, 2018, the Bank does not have investment in any insurance entity.

f. Restrictions or impediments on transfer of funds or regulatory capital within the banking group

There are no restrictions or impediments on transfer of funds within the banking group.

Table DF – 2: Capital adequacy

The Bank needs to maintain sufficient capital to support business activities, in accordance with the regulatory requirements on a standalone and consolidated basis. Currently the main source of the Bank's supply side of its capital is capital infusion by its Head Office and reserves. 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. CS Finance follows capital adequacy guidelines applicable to NBFCs. The Bank also assesses the capital adequacy using Internal Capital Adequacy Assessment Process (ICAAP) approach, as required by local regulation.

The Bank is supervised by the Chief Executive Officer ("CEO") and the Local Management Committee ("LMC") comprising of key senior management in the Bank. The LMC is supported by other committees for specific areas like the Asset Liability Management committee ("ALCO"), Risk Management Committee, Credit committee, Investment committee, Audit committee, Compliance committee, etc. The Branch management is supported by the Regional & Country Management of Credit Suisse on all governance and franchise issues. There are processes and policies in place to support activities planned in the Bank. Apart from local policies, the Bank also adheres to Global Credit Suisse policies and best practices.

As at Mar 31, 2018, the capital of the Bank, both on a standalone and consolidated basis, is higher than the minimum capital requirement as per Basel-III guidelines.

Credit Suisse AG
Mumbai Branch

A summary of the Bank's capital requirement for credit, market and operational risk and the capital adequacy ratio as on Mar 31, 2018 is presented below:

(Rs in '000)

Risk area	Standalone	Consolidated
	Mar 31, 2018	Mar 31, 2018
Capital requirements for Credit Risk (A)	**3,715,790**	**5,872,671**
- for portfolio subject to standardised approach	3,715,790	5,872,671
- for securitisation exposures	-	-
Capital requirements for Market risk (B)	**3,676,246**	**3,676,246**
- for interest rate risk	2,956,321	2,956,321
- for foreign exchange risk (including gold)	719,925	719,925
- Equity risk	-	-
Capital requirements for Operational risk (C)	**741,001**	**741,001**
- Basic indicator approach	741,001	741,001
Total capital requirement (A+B+C)	**8,133,037**	**10,289,918**
CET1 CRAR	36.50%	48.22%
Tier 1 CRAR	36.50%	48.22%
Tier 2 CRAR	0.31%	0.31%
Total Capital adequacy ratio	**36.81%**	**48.53%**

Table DF – 3: Credit Risk

Definition

Credit risk can be defined as the risk to earnings or capital arising from an obligor's failure to meet the terms of any contract with the lender or otherwise fail to perform as agreed.

Credit Risk Management / Structure

Within Credit Suisse, the Credit Risk Management ('CRM team') is responsible for managing Credit Suisse's portfolio of credit risk and establishes broad policies and guidelines governing Credit Suisse's credit risk appetite. The Bank has a dedicated Credit Risk officer reporting functionally to the Global CRM group. CRM team is headed globally by the Chief Credit Officer ('CCO') who reports directly to the Chief Risk Officer ('CRO') of Credit Suisse. Credit authority is delegated by the CCO to specific senior CRM team personnel based on each person's knowledge, experience and capability. These delegations of credit authority are reviewed periodically. Credit Risk function along with other risk functions is segregated from the line functions. At Headquarters in Zurich, the Capital Allocation and Risk Management Committee ('CARMC'), in addition to its responsibilities for market risk described below, is also responsible for maintaining credit policies and processes, evaluating country,

Credit Suisse AG Mumbai Branch

counterparty and transaction risk issues, applying senior level oversight for the credit review process and ensuring global consistency and quality of the credit portfolio. CARMC annually reviews credit limits measuring country, geographic region and product concentrations, as well as impaired assets and recommended loan loss provisions. All limits are applicable to the bank to the extent they are in conformity with Reserve Bank of India regulations.

Risk identification, measurement and monitoring

Globally, Credit Suisse utilises an internal counterparty rating scale (ranging from AAA as the best to D as the worst) and applies this grading measure against all counterparties. Credit Suisse takes a proactive approach to rating each of its counterparties and obligors and, as a result, internal ratings may deviate from those assigned by public rating agencies. All counterparties are assigned a credit rating as noted above. The intensity and depth of analysis is related to the amount, duration and level of risk being proposed together with the perceived credit quality of the counterparty/issuer/obligor in question. Analysis consists of a quantitative and qualitative portion and strives to be forward looking, concentrating on economic trends and financial fundamentals. In addition, analysts make use of peer analysis, industry comparisons and other quantitative tools, including a quantitative model based rating system. All final ratings also require the consideration of qualitative factors relating to the company, its industry and management. In addition to the aforementioned analysis, all counterparty ratings are subject to the rating of the country in which they are domiciled. Analysis of key sovereign an economic issues for all jurisdictions is undertaken and these are considered when assigning the rating and risk appetite for individual counterparties.

Each credit facility is approved by the bank's CRM team. Each facility is covered by a legal agreement that is appropriate for the type of transaction. On a case-by-case basis, Credit Suisse mitigates its credit risk associated with lending and credit related activities. This may be accomplished by taking collateral or a security interest in assets and other means.

Country risk is the risk of a substantial, systemic loss of value in the financial assets of a country or group of countries, which may be caused by dislocations in the credit, equity, and/or currency markets. Credit Suisse's major operating divisions all assume country risk in a variety of ways. The setting of limits for this risk is the responsibility of CARMC based on recommendations of CRM team, Market and Liquidity Risk Management ('MLRM') and Credit Suisse's economists. Country limits for emerging markets are approved by the Chairman's Committee of the Board of Directors of Credit Suisse Group, a portion of which is delegated to CARMC. For trading positions, country risk is a function of the notional and mark-to-market exposure of the position, while for loans and related facilities country risk is a function of the amount that Credit Suisse has lent or committed to lend. The day-to-day management of country exposure is assigned to each of the core businesses in accordance with its business authorisations and limit allocations.

Credit Suisse AG Mumbai Branch

The Bank leverages the CRM team expertise and processes within Credit Suisse to manage credit exposures arising from business transactions. The Businesses would be responsible for managing transactions within specified counterparty credit limits like Single Borrower and Group Borrower limits as prescribed by RBI, in consultation with CRM team.

Credit risk management policy:

The credit risk management policies of the bank address the following:

- Credit risk management framework, organisation, mandate & fundamental credit risk taking principles ,
- Counterparty / borrower/ issuer ratings
- Credit analysis & review frequency
- Credit exposure limits
- Credit limits for trading debt inventory in the secondary market
- Credit limit excess monitoring
- Management of problem assets
- Managing counterparty/borrower/issuer and country events
- Reporting of credit exposures of the bank
- Exposure norms to avoid credit risk concentrations: industry, sector, product and single/group borrower limits
- Loans and advances
- External commercial borrowings & trade credits
- Sale of financial assets to securitisation companies/reconstruction companies
- Purchase/sale of non-performing financial assets
- CS Mumbai branch credit committee
- Roles and responsibilities

Definition of past due and impaired:

The Bank classifies its advances into performing and non-performing loans for accounting purposes in accordance with the extant RBI guidelines given below

A non-performing asset (NPA) is defined as a loan or an advance where:

i) interest and/or installment of principal remain 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) if the interest due and charged during a quarter is not serviced fully within 90 days from the end of the quarter;
iii) the account remains 'out of order' in respect of an overdraft/cash credit facility continuously for 90 days.
iv) a bill purchased/discounted by the Bank remains overdue for a period of more than 90 days;

Credit Suisse AG Mumbai Branch

v) 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;
vi) In respect of a securitisation transaction undertaken in terms of the RBI guidelines on securitisation, the amount of liquidity facility remains outstanding for more than 90 days;
vii) In respect of derivative transactions, if the overdue receivables representing positive mark-to-market value of a derivative contract, remain unpaid for a period of 90 days from the specified due date for payment.

Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by RBI. A sub-standard asset is one, which has remained a NPA for a period less than or equal to 12 months. An asset is classified as doubtful if it has remained in the sub-standard category for more than 12 months. A loss asset is one where loss has been identified by the Bank or internal or external auditors or during RBI inspection but the amount has not been written off fully. In line with RBI directive, CS Finance is subject to 120 days overdue criteria for identification of NPAs.

Quantitative Disclosure

Gross Credit exposures:
Credit risk exposures include all exposures as per RBI guidelines on exposure norms. Bank's credit risk exposure as on Mar 31, 2018 primarily includes loans given to corporates, FX and derivative exposures and inventory positions held. The entire credit risk exposure of the Consolidated Bank as on Mar 31, 2018 is concentrated in India. This includes exposure to branches of Foreign banks in India.
The following table provides details of Bank's fund based and non-fund based exposures as on Mar 31, 2018

(Rs in '000)

Category	Standalone		Consolidated	
	Fund based[1,2]	Non-fund based	Fund based[1,2]	Non-fund based
Domestic	46,217,656	17,616,153	65,658,959	17,666,153
Overseas	-	-	-	-
Total	**46,217,656**	**17,616,153**	**65,658,959**	**17,666,153**

1. Represents loans, investment in non-SLR securities.
2. Excludes cash in hand, balance with RBI and investment in government securities and Bank CD's.
3. Non Fund Based includes committed lines of credit.

Credit Suisse AG
Mumbai Branch

CREDIT SUISSE
Credit Suisse AG, Mumbai branch

Industry-wise distribution of exposures as on Mar 31, 2018:

(Rs in '000)

Industry	Standalone		Consolidated	
	Fund based	Non-fund based	Fund based	Non-fund based
Banks	2,249,000	13,037,815	2,249,000	13,087,815
Central Govt PSUs-Electricity Transmission	2,302,838	-	2,302,838	-
Drugs and Pharmaceuticals	3,535,512	-	3,535,512	-
Electricity Transmission Private Sector	2,026,369	-	2,026,369	-
Infrastructure - Roads and Bridges	734,117	-	734,117	-
Infrastructure Others	3,564,200	-	3,564,200	-
Mining and Quarrying -Others	1,754,050	-	2,183,550	-
Other Industries	24,906,065	4,562,883	43,917,869	4,562,883
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	144,868	15,454	144,868	15,454
Telecommunication and Telecom Services	3,748,111	-	3,748,111	-
Vehicles, Vehicle Parts and Transport Equipments	1,252,527	-	1,252,527	-
Total	**46,217,656**	**17,616,153**	**65,658,959**	**17,666,153**

1. Fund based represents loans and investment in non-SLR securities. Non-fund based includes inter-bank fx and derivative transactions.
2. Excludes cash in hand, balance with RBI and investment in government securities and bank CD's.
3. Includes loans and investment in non-SLR securities.
4. Non-fund based includes fx and derivative transactions.
5. Non Fund Based includes committed lines of credit.

Credit Suisse AG Mumbai Branch

Maturity pattern of assets of the bank as at Mar 31, 2018:

(Rs in '000)

Maturity buckets	Cash & balances with RBI	Balances with banks & money at call and short notice	Investments	Loans & advances	Fixed assets	Other assets	Total
Day 1	369,289	6,112,055	20,134,753	-	-	270	26,616,367
2 to 7 days	27,659	-	33,118,262	-	-	238,406	33,384,328
8 to 14 days	79,257	-	386,378	-	-	1	465,636
15 to 30 days	60,448	-	294,684	400,000	-	-74,046	681,087
31days and upto 2 months	146,941	-	716,338	-	-	125,874	989,153
More than 2 months and upto 3 months	181,565	-	885,129	3,535,512	-	1,606,052	6,208,258
3 to 6 months	240,832	-	1,174,057	4,764,200	-	1,518,436	7,697,526
6 months to 1 year	702,452	-	3,424,454	-	-	59,812	4,186,718
1 to 3 years	220,009	-	1,072,546	4,534,521	-	436,846	6,263,922
3 to 5 years	-	-	-	-	-	173,417	173,417
Above 5 years	1,547	-	7,540	-	7,863	1,320,583	1,337,533
Total	**2,030,000**	**6,112,055**	**61,214,142**	**13,234,233**	**7,863**	**5,405,649**	**88,003,943**

Consolidated maturity pattern of assets as at Mar 31, 2018:

(Rs in '000)

Maturity buckets	Cash & balances with RBI	Balances with banks & money at call and short notice	Investments	Loans & advances	Fixed assets	Other assets	Total
Day 1	369,289	6,382,587	22,534,657	-	-	270	29,286,803
2 to 7 days	27,659	-	33,118,262	1,103,719	-	255,962	34,505,602
8 to 14 days	79,257	-	386,378	433,000	-	12,498	911,133
15 to 30 days	60,448	-	499,784	2,538,100	-	-32,869	3,065,463
31days and upto 2 months	146,941	1,200,000	716,338	1,604,400	-	189,740	3,857,419
More than 2 months and upto 3 months	181,565	-	885,129	6,179,948	-	1,646,701	8,893,343
3 to 6 months	240,832	-	1,174,057	5,015,700	-	1,536,437	7,967,026
6 months to 1 year	702,452	-	3,424,454	2,120,425	-	124,185	6,371,516
1 to 3 years	220,009	-	1,072,546	11,075,241	-	738,960	13,106,756
3 to 5 years	-	-	-	-	-	173,417	173,417
Above 5 years	1,547	-	7,538	-	8,124	1,406,495	1,423,709
Total	**2,029,999**	**7,582,587**	**63,819,143**	**30,070,533**	**8,124**	**6,051,796**	**109,562,182**

Credit Suisse AG Mumbai Branch

The Bank has no non-performing advances as on Mar 31, 2018 and hence the disclosures pertaining to non-performing advances are not applicable to the Bank.

For consolidated Bank, the disclosures pertaining to non-performing advances as at Mar 31, 2018 are as below:

Non-performing Advances (Gross)

(Rs in '000)

Category	Amount
Substandard	-
Doubtful 1	-
Doubtful 2	-
Doubtful 3	-

Non-performing Advances (Net)

(Rs in '000)

Category	Amount
Substandard	-
Doubtful 1	-
Doubtful 2	-
Doubtful 3	-

NPA ratios

Particulars	Ratio
Gross NPAs to gross advances	-
Net NPAs to net advances	-

Movement of NPAs (Gross)

(Rs in '000)

Particulars	Amount
Opening balance	-
Additions	-
Reductions	-
Closing balance	-

Movement of provisions for NPAs

(Rs in '000)

Particulars	Amount
Opening balance	-
Provisions made during the period	-
Write-off	-
Write-back of excess provisions	-
Closing balance	-

Credit Suisse AG Mumbai Branch

The Bank (both standalone and consolidated) has no non-performing investments as on Mar 31, 2018 and hence the disclosures pertaining to non-performing investments and provisions for depreciation on investments are not applicable.

Table DF – 4: Credit Risk Standardised Approach

Credit risk: Portfolios subject to the Standardised Approach

The exposures requiring measurement of credit risk as on Mar 31, 2018 are primarily loans, inventory exposures and FX and derivative transaction and balance with banks.

The exposure of the bank as on Mar 31, 2018 subject to the standardised approach by risk weights were as follows

(Rs in '000)

Category	Exposures	
	Standalone	Consolidated
Less than 100% risk weight[1,2]	45,271,738	45,271,738
100% risk weight[2]	-	19,491,303
More than 100% risk weight[2]	17,812,571	17,812,571
Deducted from capital	-	-
Total	**63,084,308**	**82,575,612**

1. Excludes cash in hand, balance with RBI and investment in government securities and bank CD's.
2. Represents loans and investment in non-SLR securities. Also includes inter-bank and merchant FX and derivative transactions on which credit RWA is applicable.
3. Non Fund Based includes committed lines of credit.

Table DF – 5: Credit risk mitigation ('CRM')

According to the Bank's policy, where it has a clean legal opinion on the jurisdictional and transactional enforceability (i.e. based on appropriate legal documents executed with the counterparty) in line with RBI guidelines and approved by credit risk management, the relevant transactions are netted or reduced by eligible credit risk mitigants.

Quantitative Disclosure

Rs in '000

Naure and Category of exposures	Exposure
Exposure covered by eligible financial collateral after application of haircuts	-
Exposure covered by guarantees	1,570,441

Table DF – 6: Securitisation

The Bank has not undertaken any securitisation deals during the reporting period.

Credit Suisse AG
Mumbai
Branch

Table DF – 7: Market risk

The Bank in its day to day activity takes on market exposures which result in market risk. Market Risk is the risk of loss arising from adverse changes in interest rates, foreign exchange rates, equity prices & other relevant parameters such as market volatility. The Bank defines its market risk as potential change in the fair value of financial instruments in response to market movements. A typical transaction may be exposed to a number of different market risks.

Market risk management framework

Fundamental to the Bank's business is the prudent taking of risk in line with Bank's strategic priorities. The primary objectives of risk management are to protect Bank's financial strength and reputation, while ensuring that capital is well deployed to support business activities and grow shareholder value. Bank's risk management framework is based on transparency, accountability and independent oversight.

The Bank devotes considerable resources to ensuring that market risk is comprehensively captured, accurately modeled and reported, and effectively managed. Trading and non-trading portfolio are managed at various organizational levels, from the overall risk positions at the Group level down to specific portfolios. The Bank uses market risk measurement and management methods designed to meet or exceed industry standards. These include general tools capable of calculating comparable exposures across Bank's many activities and focused tools that can model unique characteristics of certain instruments or portfolios. The tools are used for internal market risk management, internal market risk reporting and external disclosure purposes.

Market risk identification

The Bank bases its business operations on conscious, disciplined, intelligent and prudent risk taking. The Bank believes in independent risk management, compliance and audit processes with proper management accountability for the interests and concerns of its stakeholders. The Market and Liquidity Risk Management (MLRM) group works in partnership with the business segments to identify market risks throughout Credit Suisse to refine and monitor market risk policies and procedures. Market risk management group is also responsible for identifying exposures which may not be large within individual business segments, but which may be large for Credit Suisse in aggregate. The risk management techniques and policies are regularly reviewed to ensure they remain appropriate. Additionally, Bank's market risk exposures are reflected in our regulatory capital calculations. Risks associated with the trading activity are actively monitored and managed on a portfolio basis and is reflected in our various measures.

Market risk measurement

Credit Suisse uses various measurement techniques, both statistical and non-statistical, to measure and reflect all components and all aspects of market risk.

Credit Suisse AG Mumbai Branch

(i) Statistical measures

Credit Suisse's primary statistical risk measure is Value-At-Risk (VaR). VaR measures the potential loss in fair value of financial instruments due to adverse market movements over a defined time horizon at a specified confidence level. VaR as a concept is applicable for all financial risk types with valid regular price histories. Positions are aggregated by risk type rather than by product. For example, interest rate risk includes risk arising from interest rate, foreign exchange, equity and commodity options, money market and swap transactions and bonds. The use of VaR allows the comparison of risk in different businesses, such as fixed income and equity, and also provides a means of aggregating and netting a variety of positions within a portfolio to reflect actual correlations and offsets between different assets.

Historical financial market rates, prices and volatilities serve as the basis for the statistical VaR model underlying the potential loss estimation. The Bank uses a one-day holding period and a confidence level of 98% to model the risk in its trading portfolios for internal risk management purposes and a ten-day holding period and a confidence level of 99% for regulatory capital purposes. These assumptions are compliant with the standards published by the Basel Committee on Banking Standards (BCBS) and other related international standards for market risk management. For some purposes, such as back-testing, disclosure and benchmarking with competitors, the resulting VaR figures are calculated based on a one-day holding period level or scaled down from a longer holding period.

The Bank uses a historical simulation model for the majority of risk types and businesses within our trading portfolios. The model is based on the profit and loss distribution resulting from historical changes in market rates, prices and volatilities applied to evaluate the portfolio. Bank uses the same VaR model for risk management and regulatory capital purposes, except for the confidence level and holding period used. The Bank regularly review its VaR model to ensure that the model remains appropriate given evolving market conditions and the composition of bank's trading portfolio and in 2011 significantly enhanced its VaR methodology, including use of exponential weighting and expected shortfall equivalent measures, for both risk management VaR and regulatory VaR. The revised VaR methodology captured extreme events more completely and improved the responsiveness of the model to market volatility.

For risk management VaR, the Bank uses a one-day holding period and a 98% confidence level. This means there is a 1-in-50 chance of incurring a daily mark-to-market trading loss at least as large as the reported VaR.

(ii) Non-statistical measures

Non-statistical risk measures include net open positions, dollar values of basis points; credit spreads sensitivities, option sensitivities, market values and position concentrations and scenario analysis. These measures provide granular information on Credit Suisse's market risk exposure.

Credit Suisse AG Mumbai Branch

Scenario analysis complements statistical-based risk measures such as VaR and Economic Capital. For example, scenarios are customized with longer horizons than the ones used in statistical based risk measures to capture market liquidity. Scenarios are also customized to run against agreed limits where the materiality of stressed exposures warrants closer monitoring.

The Bank's scenario analysis also enhances periodic exposure reporting by providing a view of how risk could change under severe market conditions. For example, sensitivities are computed post a large market shock scenario. Scenarios are also used to capture the cross impacts between risk factors under stressed market conditions to complement basis risks captured by other risk measures. Scenarios are further used to assess the impact of more extreme parameters used by other risk measures. For example, market volatility and credit default parameters in risk-weighted asset models are stressed to assess capital requirements under extreme conditions.

Market risk monitoring

The Bank has a risk appetite framework that establishes key principles for managing its risks to ensure a balance of return and assumed risk, stability of earnings and appropriate capital levels. The key aspect of the Bank's risk appetite framework is a sound system of integrated risk limits to control overall risk taking capacity and serve as an essential decision-making tool for senior management.

Risk appetite is annually reviewed and determined by the Board, taking into account strategic and business planning, and enforced by a detailed framework of portfolio and position limits, guidelines and targets at both the Group and divisional levels as well as for certain legal entities. Risk appetite is defined in quantitative terms using risk limits and tolerance levels, capital ratios and scenario results.

At the local level, the Asset Liability Management Committee (ALCO) under supervision of the Local Management Committee is responsible for the overall management of risk limits and review of the risk reports at the Branch. The Market Risk Management group ensures that the market risks are effectively identified, measured, monitored and controlled, consistent with the Bank's business strategy and appetite for risk. For the Branch, Stress tests are done on a daily basis and monitored against stress limits. The market risk exposures and limits are discussed at the ALCO meetings.

Quantitative Disclosure

Risk area	Standalone	Consolidated
	Mar 31, 2018	**Mar 31, 2018**
Capital requirements for Market risk (B)	**3,676,246**	**3,676,246**
- for interest rate risk	2,956,321	2,956,321
- for foreign exchange risk (including gold)	719,925	719,925
- Equity risk	-	-

Credit Suisse AG Mumbai Branch

Table DF – 8: Operational risk

Definition

Operational risk is the risk of gain or loss resulting from inadequate or failed internal processes, people or systems or from external events. This definition includes legal risk, which is the risk of loss resulting from failure to comply with laws and regulations as well as prudent ethical standards and contractual obligations. It also includes the exposure to litigation from all aspects of the firm's activities.

Operational Risk Management Structure and Approach

Operational risk management is the responsibility of all staff. The diverse nature of operational risks requires different disciplines for effective control. Operational risks are managed where risks arise, i.e. by Business Divisions and Corporate Functions. This is complemented by a central responsibility of the designated Operational Risk Management (ORM) function and by various levels of governance committees. These responsibilities are complementary and mutually supporting within the overall framework.

The Bank operates under global operational risk policies, guidelines and procedures that set out the principles and components for managing operational risk as part of the Enterprise Risk and Control Framework (ERCF).

The ERCF is composed of several interlinked components. These include a set of tools, processes and reports that are used to identify, manage and monitor operational risks the Bank is exposed to.

The ERCF components include:

- **ERCF Risk Appetite** is based on self-imposed constraints that define the level of risk the Bank is willing to take in pursuit of the Bank's business activities. It articulates the drivers for taking, accepting or avoiding certain types of risks, products or exposures.
- The bank-wide **ERCF Risk Taxonomy** contains a comprehensive catalogue of inherent operational risks arising as a consequence of the Bank's activities and forms an integral part of the bank's Global Risk Taxonomy.
- **ERCF Key Controls** - Internal controls are defined as a specific set of activities designed to meet an objective. A control may exist within a designated function or activity in a process. Effective controls must be implemented to detect, prevent and mitigate risks.
- **ERCF Metrics** are composed of Risk Indicators and Control Indicators. A Risk Indicator provides information on the level of exposure to a risk at a particular point in time. A Control Indicator assesses and monitors the effectiveness
- **Internal operational incident** data provides meaningful information for assessing a bank's exposure to operational risk and the effectiveness of internal controls. Analysis of loss events provides insight into the causes of operational risk losses and information on whether control failures are isolated or systematic.

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Mumbai Branch

- **External operational risk incidents** are those operational risk incidents that impact a financial institution other than Credit Suisse.
- **ERCF RCSA** are a systematic and regular business process aimed at reviewing specific inherent operational risks that Business Divisions and Corporate Functions are exposed to, as well as an assessment of the control landscape that is in place to mitigate these risks.
- **ERCF Stress Testing, Scenarios and Capital Modelling.**
  - Stress Testing is the process where a number of defined economic scenarios are evaluated to determine the impact they would have on the Bank's financial position.
  - Reverse Stress Testing (RST) is a complementary tool to existing processes that allows the business to assume a known adverse outcome of an identified risk, such as very large operational risk loss, and then deduce the circumstances that could lead to such an outcome.
  - Scenarios provide a structured approach for the assessment and parameterization of potential risk events.
- **Top ERCF Risks** are defined as most significant residual risks that require direct executive level management oversight to avoid occurrence or prevent re-occurrence of:
  - Significant losses
  - Significant regulatory scrutiny, enforcement or legal action
  - Substantial damage to the Bank's reputation or franchise
  - Significant unmitigated risk in excess of Risk Appetite
  - Material operational control breaches
- **ERCF Issue & Action Management** - operational risk incidents and breaches of the ERCF Risk Appetite must be managed in accordance with the requirements set forth in the Operational Risk Responses Framework.
- **ERCF Change Assessments** - an operational risk assessment must be conducted for Major Change Initiatives with respect to their potential impact on the Bank's operational risk profile.
- **Operational Risk Reporting** - to ensure appropriate ownership, prioritization and focus on operational risk issues from assessment through to mitigation, operational risk reports are produced throughout the Bank on a regular basis.

Business Divisions and Corporate Functions have the primary responsibility for implementing the ERCF and proactively identifying, assessing and managing operational risks arising in their areas. Operational Risk Management (ORM) is responsible for providing independent oversight of ERCF implementation and the effectiveness of operational risk management for the Bank and CS Finance.

Risk Governance

Under the ERCF, the responsibility of the risk and control committee for the Bank includes:

- Approving operational risk quantitative tolerance levels, monitoring the ERCF Risk Appetite exposure and overseeing the completion of remediation plans as a result of ERCF Risk Appetite breaches
- Approving/rejecting proposed Top ERCF Risks and proposals to accept or mitigate them; reviewing implemented remediation actions and approving closure
- Approving ERCF Metrics and any changes thereof; overseeing remediation plans resulting from threshold breaches
- Approving specific operational risk capital, loss projection and stress testing results
- Reviewing results of RCSAs

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Mumbai Branch

- Escalating and reporting operational risks to other relevant senior management or committees as appropriate

OpRisk measurement

The Bank uses the Basic Indicator Approach to determine its capital requirement in respect of operational risk.

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

Treasury desk manages the interest rate risk arising from the banking book. For the period ended March 31, 2018, the Bank has primarily invested in Central Government bonds, corporate bonds, and has interest rate swaps and forex transactions. The Bank, to manage the interest rate risk exposures arising from the asset-liability positions from the banking book would use Interest Rate Swaps, FCY Currency Swaps, and Forward Rate Agreements. These risk exposures are separate from the trading/market making positions.

Interest rate risk is measured in terms of DV01 (sensitivity to 1 basis point movement) and VaR (value at risk metric) by Market Risk Management group. The Interest Rate Risk in Banking Book (IRRBB) is calculated by the Bank in accordance with DBOD. No. BP.BC.59/ 21.04.098/ 2010-11 dated 4 November 2010. The change in the market value of equity after applying a 200 bps shock comes out to be Rs 151.41 crore as on 31st March, 2018.

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

Credit Risk Management (CRM):
Responsible for approving all global counterparty and issuers limits and for establishing any discretionary or more prudent limits than what is prescribed by the Reserve Bank of India for Industry, Sector, Product and Single/Group Counterparty/Borrower/Issuer of the Branch. CRM is responsible for approving each credit facility extended to borrowers of the Bank. Credit Control are responsible for monitoring and managing any exposure excesses for counterparty and issuer limits set in accordance with global CRM policy (i.e. the global credit limits set for each counterparty and issuer). CRM are responsible for performing periodical credit reviews and for internally rating all counterparties in accordance with global CRM policy and for assigning all local asset classifications used for local regulatory reporting purposes.

All credit exposure is approved, either by approval of an individual transaction/facility (e.g., lending facilities), or under a system of credit limits (e.g., OTC derivatives). All credit limits must be approved by the appropriate CRM authority holder based on the size and duration of the exposure and the rating of the counterparty/borrower/issuer. Credit exposure is monitored daily to ensure it does not exceed the approved credit limit. These credit limits are set either on a potential exposure basis or on a notional exposure basis. Potential exposure means the possible future value that would be lost upon default of the counterparty on a particular future date, and is taken as a high percentile of a distribution of possible

Credit Suisse AG Mumbai Branch

particular future date, and is taken as a high percentile of a distribution of possible exposures computed by our internal exposure models. The use of a universal measurement unit of pre-settlement credit risk (i.e. "Potential Exposure" or "PE") allows CRM to reallocate limits between different credit limit types (i.e. product types) of a counterparty/borrower or within the relevant supported entities of a counterparty/borrower group. Secondary debt inventory positions are subject to separate limits that are set at the issuer level.

Economic Capital

The Counterparty ERC component measures the credit risk arising from OTC trading counterparties including when the counterparty is a sovereign country.

The Total Counterparty ERC is evaluated including four credit risk types:

EC Default Risk Capital: the Default component measures the default risk for the Credit Suisse's counterparties to OTC derivative contracts.

It is defined as the 99th percentile of the loss distribution minus the average loss due to defaults over a 1-year time horizon, taking into account systematic risk and unsystematic risk.

This default risk is evaluated using the Credit Risk+ EC Spread Risk: the Spread Risk component measures the losses due to change in fair value due to spread widening.

It is defined the 99th percentile worst loss in fair value over 1-year time horizon due to adverse credit spread movements. In principle, the credit spread is evaluated as credit spread DV01 multiply by the worst case credit spread move for a rating class.

EC Credit Migration Risk: the Migration Risk component measures the credit rating migration risk beyond one year for the counterparty portfolio.

It is the 99th percentile worst loss in fair value over 1-year time horizon due to adverse rating migration. In principle, the migration credit spread is evaluated as credit spread DV01 multiply by the worst case migration for a rating class.

ERC for Default assets: ERC = Max (0, Z x [Notional – Current Provision]) where: Z = 20% if the transaction rating is Senior Secured, and Z = 35% otherwise.

Wrong-way exposures

Correlation risk arises when Credit Suisse enters into a financial transaction where market rates are correlated to the financial health of the counterparty. In a wrong-way trading situation, our exposure to the counterparty increases while the counterparty's financial health and its ability to pay on the transaction diminishes. Capturing wrong-way risk requires the establishment of basic assumptions regarding correlations for a given trading product. Credit Suisse has multiple processes that allow it to capture and estimate wrong-way risk.

Concentration Risk

As per Credit Policy, the Bank's concentration risk is monitored via i). Single/group borrowing limits applicable to all counterparties excl. banks; ii). Cap on exposures to individual industries/sectors (currently 25% of the branch's networth); iii). Cap on exposure to NBFCs (currently INR 30bn); iv). Cap on exposure to Capital Markets. These are monitored/tracked on a daily basis within the Bank.

Credit Suisse AG
Mumbai Branch

Counterparty/Borrower/Issuer Rating Policy

Credit Suisse uses the S&P style letter grading (i.e. AAA to D) for its counterparty/borrower/issuer rating system. For local regulatory reporting and accounting purposes of the Bank, CRM also assign local rating classifications in accordance with the prescribed asset classification definitions. Due to the different methodologies used between the CS and local asset classifications, Credit Suisse avoids the use of a ratings mapping and instead individually classify each in-scope asset at the time of reporting in accordance with the local definitions so as to ensure the accuracy of the local asset classifications.

Descriptions of the rating processes

All counterparties that Credit Suisse is exposed to are assigned an internal credit rating. At the time of initial credit approval and review, relevant quantitative data (such as financial statements and financial projections) and qualitative factors relating to the counterparty are used by CRM in the models and result in the assignment of a credit rating or PD, which measures the counterparty's risk of default over a one-year period.

Where rating models are used, the models are an integral part of the rating process, and the outputs from the models are complemented with other relevant information by credit officers via a robust model-override framework where information not captured by the models is taken into account by experienced credit officers. In addition to the information captured by the rating models, credit officers make use of peer analysis, industry comparisons, external ratings and research and the judgment of credit experts to complement the model ratings. This analysis emphasizes a forward looking approach, concentrating on economic trends and financial fundamentals. Where rating models are not used the assignment of credit ratings is based on a well-established expert judgment based process which captures key factors specific to the type of counterparty.

Use of internal ratings

Internal ratings play an essential role in the decision-making and the credit approval processes. The portfolio credit quality is set in terms of the proportion of investment and non-investment grade exposures. Investment/non-investment grade is determined by the internal rating assigned to a counterparty.

Internal counterparty ratings (and associated PDs), transaction ratings (and associated LGDs) and CCF for loan commitments are inputs to risk-weighted assets and Economic Risk Capital (ERC) calculations. Model outputs are the basis for risk-adjusted-pricing or assignment of credit competency levels.

The internal ratings are also integrated into the risk management reporting infrastructure and are reviewed in senior risk management committees. These committees include the Chief Executive Officer, Chief Credit Officer (CCO), Regional CCO, RPSC and Capital Allocation Risk Management Committee (CARMC).

To ensure ratings are assigned in a robust and consistent basis, the Credit Risk Review Function (CRR) performs periodic portfolio reviews which cover, amongst other things:

- accuracy and consistency of assigned counterparty/transaction ratings
- transparency of rating justifications (both the counterparty rating and transaction rating);

Credit Suisse AG
Mumbai Branch

- quality of the underlying credit analysis and credit process;
- adherence to Credit Suisse policies, guidelines, procedures, and documentation checklists.

The CRR function is an independent control function and reports functionally to Board of Directors Risk Committee.

Credit Rating downgrade

Credit Risk Management (CRM) has a Watchlist process to closely monitor counterparties that have a higher risk of not performing to expectations, in instances like a credit rating downgrade. The Watchlist serves to identify counterparties where there are negative factors requiring enhanced monitoring, that are not severe enough to indicate impairment. The Watchlist is reviewed each month in the Surveillance/Watchlist meeting. The meeting is attended by the Chief Credit Officer (CCO), Credit officers, Recovery Management International, CRM approvers and the responsible Front Office personnel. Each name is discussed and the Chief Credit Officer and Recovery Management International will determine if any names on the Watch List should be transferred to Recovery Management International for their direct management.

When a counterparty or transaction is added to the Watchlist, documentation and static data should be reviewed and updated as follows:

- The relevant credit officer is required to review all relevant security documentation (ISDA, CSA, loan docs, etc.) and refer any potential shortcomings to Legal & Compliance Department (LCD).
- Credit Control updates the static data in INSIGHT (Global credit risk system) to flag as watchlist and add relevant comments as requested by the credit officers.

Securing Collateral

Where collateral is to be used as a form of credit risk mitigation for a counterparty, it is the responsibility of Credit Risk Management to define and approve the appropriate credit terms for the collateral arrangement. The terms of any collateral arrangement should take into account:

- The appetite for credit risk that Credit Suisse has for the counterparty
- The use of an agreed strategy for managing the collateral arrangement with the counterparty and for the particular situation
- The counterparty's ability to post collateral
- Credit Suisse's collateral policy requirements

From a credit risk management standpoint, the risk elements that should be considered when deciding to establish a collateralized arrangement include:

- The level of unsecured thresholds which should be approved
- Upfront collateral requirements
- Frequency of valuations and collateral calls
- The characteristics of the assets to be posted as collateral (e.g. quality, liquidity) and the haircuts for that collateral
- Creditworthiness of the counterparty
- Level of risk of the underlying transactions
- The standard collateral terms.

Quantitative Disclosure

Counterparty credit risk for the bank:

Rs in '000

Row Labels	Notional	Positive MTM	Exposure
Foreign Exchange Contracts	317,352,674	2,205,177	9,663,430
Interest Rate Derivate Contracts	199,653,157	844,766	2,687,744
Currency Swaps	-	-	-
Repo-style transactions	1,778,340	-	1,778,340
Grand Total	**555,667,988**	**3,061,766**	**14,879,014**

Credit Suisse AG Mumbai Branch

Table DF – 11: Composition of Capital

Part II: Template to be used before March 31, 2017 (i.e. during the transition period of Basel 3 regulatory adjustments)

Table DF-11 : Composition of Capital				
Part II : Template to be used before March 31, 2017 (i.e. during the transition period of Basel III regulatory adjustments)				
				(Rs. in thousands)
Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)			Amounts Subject to Pre-Basel III Treatment	Ref No.
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	29,715,305		a1+a2+b1
2	Retained earnings	16,203,584		b2+c2+c3
3	Accumulated other comprehensive income (and other reserves)			
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies1)			
	Public sector capital injections grandfathered until January 1, 2018			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)			
6	Common Equity Tier 1 capital before regulatory adjustments	45,918,889		
Common Equity Tier 1 capital : regulatory adjustments				
7	Prudential valuation adjustments			
8	Goodwill (net of related tax liability)			
9	Intangibles other than mortgage-servicing rights (net of related tax liability)			
10	Deferred tax assets2	292,679	-	d1
11	Cash-flow hedge reserve			
12	Shortfall of provisions to expected losses			
13	Securitisation gain on sale			
14	Gains and losses due to changes in own credit risk on fair valued liabilities			
15	Defined-benefit pension fund net assets			
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)			
17	Reciprocal cross-holdings in common equity			

Credit Suisse AG Mumbai Branch

18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)			
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)3			
20	Mortgage servicing rights4(amount above 10% threshold)			
21	Deferred tax assets arising from temporary differences5(amount above 10% threshold, net of related tax liability)			
22	Amount exceeding the 15% threshold6			
23	of which : significant investments in the common stock of financial entities			
24	of which : mortgage servicing rights			
25	of which : deferred tax assets arising from temporary differences			
26	National specific regulatory adjustments7 (26a+26b+26c+26d)			
26a	of which : Investments in the equity capital of unconsolidated insurance subsidiaries			
26b	of which : Investments in the equity capital of unconsolidated non-financial subsidiaries8			
26c	of which : Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank9			
	of which : Unamortised pension funds expenditures			
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment			
	of which : [INSERT TYPE OF ADJUSTMENT] For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian context)			
	of which : [INSERT TYPE OF ADJUSTMENT]			
26d	of which : [INSERT TYPE OF ADJUSTMENT]			
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-		
28	**Total regulatory adjustments to Common equity Tier 1**	292,679	-	
29	**Common Equity Tier 1 capital (CET1)**	45,626,210		
Additional Tier 1 capital : instruments				

Credit Suisse AG Mumbai Branch

30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)			
31	of which : classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)			
32	of which : classified as liabilities under applicable accounting standards (Perpetual debt Instruments)			
33	Directly issued capital instruments subject to phase out from Additional Tier 1			
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)			
35	of which : instruments issued by subsidiaries subject to phase out			
36	**Additional Tier 1 capital before regulatory adjustments**			
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments			
38	Reciprocal cross-holdings in Additional Tier 1 instruments			
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)			
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)10			
41	National specific regulatory adjustments (41a+41b)			
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries			
	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank			
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment			
	of which : DTAs	-		
	of which : [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 1 at 50%]			
41b	of which : [INSERT TYPE OF ADJUSTMENT]			

Credit Suisse AG
Mumbai Branch

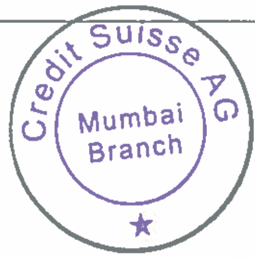
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		
43	**Total regulatory adjustments to Additional Tier 1 capital**			
44	**Additional Tier 1 capital (AT1)**	-		
44a	Additional Tier 1 capital reckoned for capital adequacy11	-		
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44a)**	45,626,210		
Tier 2 capital : instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus			
47	Directly issued capital instruments subject to phase out from Tier 2			
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)			
49	of which : instruments issued by subsidiaries subject to phase out			
50	Provisions12	297,333		c1+c4
51	**Tier 2 capital before regulatory adjustments**			
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments			
53	Reciprocal cross-holdings in Tier 2 instruments			
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)			
55	Significant investments13in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)			
56	National specific regulatory adjustments (56a+56b)			
56a	of which : Investments in the Tier 2 capital of unconsolidated insurance subsidiaries			
56b	of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank			
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment			

Credit Suisse AG
Mumbai Branch

	of which : [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]			
	of which : [INSERT TYPE OF ADJUSTMENT			
57	**Total regulatory adjustments to Tier 2 capital**			
58	**Tier 2 capital (T2)**	297,333		
58a	Tier 2 capital reckoned for capital adequacy14	297,333		
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**			
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	297,333		
	Total capital (TC = T1 + Admissible T2) (45 + 58c)	45,923,543		
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment			
	of which : [INSERT TYPE OF ADJUSTMENT]			
59	of which : …			
60	**Total risk weighted assets (60a + 60b + 60c)**	94,619,934		
60a	of which : total credit risk weighted assets	54,001,574		
60b	of which : total market risk weighted assets	33,804,557		
60c	of which : total operational risk weighted assets	6,813,803		
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	48.22%		
62	Tier 1 (as a percentage of risk weighted assets)	48.22%		
63	Total capital (as a percentage of risk weighted assets)	48.53%		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	7.375%		
65	of which : capital conservation buffer requirement	1.875%		
66	of which : bank specific countercyclical buffer requirement			
67	of which : G-SIB buffer requirement			
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	39.22%		
National minima (if different from Basel III)				
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%		
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%		
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financial entities			

Credit Suisse AG Mumbai Branch

73	Significant investments in the common stock of financial entities			
74	Mortgage servicing rights (net of related tax liability)			
75	Deferred tax assets arising from temporary differences (net of related tax liability)			
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	297,333		c1+c4
77	Cap on inclusion of provisions in Tier 2 under standardised approach	675,020		60a*1.25%
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)			
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach			
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements			
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
82	Current cap on AT1 instruments subject to phase out arrangements			
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			
84	Current cap on T2 instruments subject to phase out arrangements			
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)			



Notes to the template			
Row No. of the template	Particular		(Rs. in thousands)
10	Deferred tax assets associated with accumulated losses		
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability		292,679
	Total as indicated in row 10		292,679
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank		
	of which : Increase in Common Equity Tier 1 capital		
	of which : Increase in Additional Tier 1 capital		
	of which : Increase in Tier 2 capital		
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then :		
	(i)	Increase in Common Equity Tier 1 capital	
	(ii)	Increase in risk weighted assets	
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)		
	of which : Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b		
50	Eligible Provisions included in Tier 2 capital		297,333
	Eligible Revaluation Reserves included in Tier 2 capital		-
	Total of row 50		297,333
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)		

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Table DF – 12: Composition of Capital – Reconciliation Requirements

			Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
Table DF-12 : Composition of Capital- Reconciliation Requirements				
				(Rs. in thousand)
			As on reporting date	As on reporting date
A	Capital & Liabilities			
	i.	Paid-up Capital	17,750,000	18,800,131
		Reserves & Surplus	9,764,572	27,124,599
		Minority Interest	-	-
		Total Capital	27,514,572	45,924,730
	ii.	Deposits	35,462,764	35,462,764
		of which : Deposits from banks	-	-
		of which : Customer deposits	35,462,764	35,462,764
		of which : Other deposits (pl. specify)	-	-
	iii.	Borrowings	23,467,292	26,332,239
		of which : From RBI	-	-
		of which : From banks	16,253,675	17,199,187
		of which : From other institutions & agencies	7,213,617	7,213,617
		of which : Others (Foreign Bank outside India)	-	1,919,435
		of which : Capital instruments	-	-
	iv.	Other liabilities & provisions	1,559,314	1,842,570
	Total		**88,003,942**	**109,562,303**
B	**Assets**			
	i.	Cash and balances with Reserve Bank of India	565	565
		Balance with banks and money at call and short notice	8,141,490	9,612,022
	ii.	Investments :	61,214,142	63,819,144
		of which : Government securities	28,230,719	28,230,719
		of which : Other approved securities	-	-
		of which : Shares	-	-
		of which : Debentures & Bonds	28,184,608	30,789,611
		of which : Subsidiaries / Joint Ventures / Associates	-	-
		of which : Others (Commercial Papers, Mutual Funds etc.)	4,798,815	4,798,815
	iii.	Loans and advances	13,234,233	30,070,533
		of which : Loans and advances to banks	-	-
		of which : Loans and advances to customers	13,234,233	30,070,533
	iv.	Fixed assets	7,863	8,124
	v.	Other assets	5,405,649	6,051,915
		of which : Goodwill and intangible assets	-	-
		of which : Deferred tax assets	210,900	292,679
	vi.	Goodwill on consolidation	-	-
	vii.	Debit balance in Profit & Loss account	-	-
Total Assets			**88,003,942**	**109,562,303**

Credit Suisse AG Mumbai Branch

			Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Reference No
				(Rs. in thousand)	
			As on reporting date	As on reporting date	
A	Capital & Liabilities				
	i.	Paid-up Capital	17,750,000	18,800,131	
		of which :	-	-	
		Funds from HO	17,750,000	17,750,000	a1
		Equity Share Capital	-	1,050,131	a2
		Reserves & Surplus	9,764,572	27,124,599	a3
		of which :	-	-	
		Share Premium	-	10,915,174	b1
		Statutory Reserves	2,461,090	3,858,400	b2
		Other Revenue Reserves	5,841	5,841	
		of which:	-	-	
		Investment Reserve Account	5,841	5,841	c1
		General Reserve	-	-	
		Surplus- Unallocated & Carried Over	7,297,641	12,345,184	c2
		Operating Surplus (in current year)	-	-	c3
		Minority Interest	-	-	
		Total Capital	27,514,572	45,924,730	
	ii.	Deposits	35,462,764	35,462,764	
		of which : Deposits from banks	-	-	
		of which : Customer deposits	35,462,764	35,462,764	
		of which : Other deposits (pl. specify)	-	-	
	iii.	Borrowings	23,467,292	26,332,239	
		of which : From RBI	-	-	
		of which : From banks	16,253,675	25,708,794	
		of which : From other institutions & agencies	7,213,617	7,213,617	
		of which : Others (Foreign Bank outside India)	-	19,194,354	
		of which : Capital instruments	-	-	
	iv.	Other liabilities & provisions	1,559,314	1,842,570	
		of which : General Provisons and loss Reserves	222,726	280,482	c4
		Total	**88,003,942**	**109,562,303**	
B	Assets				
	i.	Cash and balances with Reserve Bank of India	565	565	
		Balance with banks and money at call and short notice	8,141,490	9,612,022	
	ii.	Investments :	61,214,142	63,819,145	
		of which : Government securities	28,230,719	28,230,719	
		of which : Other approved securities	-	-	
		of which : Shares		-	

Credit Suisse AG Mumbai Branch

	of which : Debentures & Bonds	28,184,608	30,789,611	
	of which : Subsidiaries / Joint Ventures / Associates	-	-	
	of which : Others (Commercial Papers, Mutual Funds etc.)	4,798,815	-	
iii.	Loans and advances	13,234,233	30,070,533	
	of which : Loans and advances to banks	-	-	
	of which : Loans and advances to customers	13,234,233	30,070,533	
iv.	Fixed assets	7,863	8,124	
v.	Other assets	5,405,649	6,051,914	
	of which : Goodwill and intangible assets		-	
	Deferred tax assets	210,900	292,679	d1
vi.	Goodwill on consolidation		-	
vii.	Debit balance in Profit & Loss account		-	
Total Assets		88,003,942	109,562,304	

Table DF – 13: Main Features of Regulatory Capital Instruments

A. Main features of Equity Capital (Common Equity Tier 1) are given below

Sr No.	Particulars	Equity
1	Issuer	Credit Suisse Finance (India) Private Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N.A. (As securities are not marketable)
3	Governing law(s) of the instrument	Indian Laws
	Regulatory treatment	
4	Transitional Basel III rules	Common Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo / group / group & solo	Group
7	Instrument type	Common Shares
8	Amount recognised in regulatory capital (Rs. in thousand, as of most recent reporting date)	11,965,305
9	Par value of instrument	Rs 100/-
10	Accounting classification	Shareholders' equity

Credit Suisse AG
Mumbai Branch

11	Date of issuance	Date of Issuance	Number of Shares issued
		08-12-2008	1 share
		08-12-2008	285,183 shares
		26-10-2009	8,749,457 shares
		12-04-2010	1,466,670 shares
		Total	10,501,311 shares
12	Perpetual or dated	Perpetual	
13	Original maturity date	no maturity	
14	Issuer call subject to prior supervisory approval	NA	
15	Optional call date, contingent call dates and redemption amount	NA	
16	Subsequent call dates, if applicable	NA	
	Coupons / dividends		
17	Fixed or floating dividend / coupon	Floating	
18	Coupon rate and any related index	NA	
19	Existence of a dividend stopper	No	
20	Fully discretionary, partially discretionary or mandatory	NA	
21	Existence of step up or other incentive to redeem	NA	
22	Noncumulative or cumulative	NA	
23	Convertible or non-convertible	NA	
24	If convertible, conversion trigger(s)	NA	
25	If convertible, fully or partially	NA	
26	If convertible, conversion rate	NA	
27	If convertible, mandatory or optional conversion	NA	
28	If convertible, specify instrument type convertible into	NA	

Credit Suisse AG Mumbai Branch

29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	NA
36	Non-compliant transitioned features	No

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

Instruments	Full Terms and Conditions
Credit Suisse Finance (India) Private Limited	
Equity Share Capital	The Company has only one class of equity shares having a face value of Rs 100 per share. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Table DF – 15: Disclosure Requirements for Remuneration

Bank has complied with the Compensation Guidelines issued by RBI vide DBOD No.BC. 72 /29.67.001/2011-12 dated January 13, 2012, hence this disclosure is not applicable.

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

The Bank has not traded any equities during the reporting period.

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Mumbai Branch

Table DF 17 - Summary comparison of accounting assets vs. leverage ratio exposure measure.

	Item	(Rs. in '000)
1	Total consolidated assets as per published financial statements	109,562,303
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	10,039,167
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	158,384
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	2,803,934
7	Other adjustments	(292,679)
8	Leverage ratio exposure	122,271,107

Credit Suisse AG Mumbai Branch

Table DF 18 – Leverage ratio common disclosure template **(Rs. in '000)**

	Item	Leverage ratio framework
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	104,465,128
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(292,679)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	104,172,449
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	3,061,766
5	Add-on amounts for PFE associated with all derivatives transactions	10,495,383
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	Total derivative exposures (sum of lines 4 to 10)	13,557,149
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	1,737,575
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	1,737,575
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	2,803,934
18	(Adjustments for conversion to credit equivalent amounts)	-
19	Off-balance sheet items (sum of lines 17 and 18)	2,803,934
Capital and total exposures		
20	Tier 1 capital	45,626,209
21	Total exposures (sum of lines 3, 11, 16 and 19)	122,271,107
Leverage ratio		
22	Basel III leverage ratio	37.32%

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Mumbai Branch

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Leverage Ratio disclosure as per Para 16.6.5.3 of Basel III Circular.

Tier 1 capital	45,626,209
Leverage ratio exposure	122,271,107
Basel III leverage ratio	37.32%

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Mumbai Branch