Bank of India
Relationship beyond banking

Bank of India (New Zealand) Limited

Disclosure Statement

For six months ended 30 September 2013

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1. Reporting Directive

This Disclosure Statement has been prepared under the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order (No 2) 2013.

2. Registered Bank

Name:	Bank of India (New Zealand) Limited
Address:	10 Manukau Road Epsom Auckland, 1023

Bank of India (New Zealand) Limited (the "Bank") was incorporated on 9 October 2008. It became a registered bank on 31 March 2011.

For the purposes of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order (No 2) 2013, the Bank is currently the only entity within the Registered Bank's Banking Group in New Zealand and accordingly the term "Bank" has the same meaning as the Bank's Banking Group throughout this Disclosure Statement.

3. Ultimate Parent Bank and Ultimate Holding Company

Name:	Bank of India
Address:	Star House C-5, G Block Bandra Kurla Complex Post Box No. 8135 Bandra (East) Mumbai 400051 India

4. Guarantee Arrangements

The name and address for service of the Guarantor is:
Bank of India, Star House, C-5, G Block, Bandra Kurla Complex, Post Box No.8135, Bandra (East), Mumbai 400051, India.

Bank of India is the Bank's ultimate parent and ultimate holding company. Bank of India is not a member of the Banking Group.

Bank of India has the following credit rating with respect to its long term senior unsecured obligations payable in any country or currency including obligations payable in New Zealand in New Zealand dollars:

Rating Agency:	Standard and Poor's
Current Credit Rating:	BBB- /negative outlook/A-3

On 25 April 2012, Standard & Poor's has revised the outlooks on the long term counterparty credit ratings on the Bank of India from BBB- (Stable) to BBB- (Negative).

Bank of India unconditionally guarantees for the benefit of each Creditor the due and punctual payment by Bank of India (New Zealand) Limited of each and every obligation (whether at stated maturity, upon acceleration or otherwise) now or hereafter owing or to become owing by Bank of India (New Zealand) Limited to the Creditor during the term of the guarantee.

There are no limits on the amount of obligations guaranteed under the Guarantee. There are no material conditions applicable to the Guarantee other than non-performance by the principal obligor.

The deed of guarantee does not have an expiry date.

Bank of India (New Zealand) Limited does not have a guarantee under the New Zealand deposit guarantee scheme and it does not have any material cross guarantees as at 21 November 2013.

The most recent full year disclosure statement dated 31 March 2013 contains further information about the guarantee. The most recent full year Disclosure Statement is available on Bank of India (New Zealand) Limited's website: http://www.bankofindia.co.nz

5. Bank's board of directors

There have been five changes in the composition of the Bank's board of directors since the most recent full year Disclosure Statement dated 31 March 2013. Philip Crotty resigned from the Board on 31 May 2013, Mukkur Srinivasan Raghavan resigned from the the Board on 19 July 2013. Rabin Sockalingam Rabindran was appointed to the Board on 31 May 2013, Sameer Handa was appointed to the Board on 12 July 2013, Anantharaman Sankara Narayanan Radhamangalam was appointed to the Board on 15 August 2013.

6. Conditions of Registration

Effective 1 October 2013, the Reserve Bank of New Zealand (RBNZ) issued revised conditions of registration for the Bank. The conditions of the registration has been amended to incorporate the proposed changes to put into effect restrictions on high loan-to-valuation residential mortgage lending and to clarify various aspects of the Reserve Bank's implementation of the Basel III capital standards and other minor updates. In addition, the revised conditions of registration incorporate the amendment to BS16 to clarify that the information requirements in paragraph 14 apply in all instances when the bank intends to repay a capital instrument and replace it with another. A copy of the full revised Conditions of Registration effective on and after 1 October 2013 can be found in Appendix A.

The Bank has complied with all conditions of registration over the accounting period.

7. Pending Proceedings or Arbitration

As of the date of this Disclosure Statement, there are no pending legal proceedings or arbitration concerning any member of the Registered Bank's Banking Group in New Zealand or elsewhere that may have a material adverse effect on the Bank or its Banking Group.

8. Credit Ratings

Bank of India (New Zealand) Limited has the following general credit rating applicable to its long term senior unsecured obligations payable in New Zealand in New Zealand Dollars.

Rating Agency:	Standard and Poor's
Current Credit Rating:	BBB- /Negative Outlook/A-3

On 25 April 2012, Standard & Poor's has revised the outlooks on the long term counterparty credit ratings on the Bank from BBB- (Stable) to BBB- (Negative).

9. Other material matters

There are no other material matters relating to the business or affairs of the Bank and its Banking Group that are not disclosed in this Disclosure Statement.

10. Auditors

The name and address of the Bank's independent auditor is:
PricewaterhouseCoopers
188 Quay Street
Private Bag 92162
Auckland 1142
New Zealand

Directors' Statement

Each Director of the Bank of India (New Zealand) Limited, believes, after due enquiry, that as at the date on which this Disclosure Statement is signed:

- The Disclosure Statement contains all information that is required by the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order (No 2) 2013; and
- The Disclosure Statement is not false or misleading.

Furthermore, each Director believes, after due enquiry that over the six months ended 30 September 2013:

- The Bank has complied with all conditions of registration that applied during the period; and
- Credit Exposure to Connected Persons (if any) were not contrary to the interests of the Bank's Banking Group; and
- The Bank had systems in place to monitor and control adequately the material risks of the Bank's Banking Group including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk, operational risk and other business risks, and that those systems were being properly applied.

Signed by P. Nageshwar Rao as director and responsible person on behalf of all the directors:
(The Directors of the Bank were Tarun Kanji, Nageshwar Rao Paladugu, Sanjaya Singh Gaur, Sameer Handa, Rabin Sockalingam Rabindran and Anantharaman Sankara Narayanan Radhamangalam)

P. Nageshwar Rao
Managing Director
21 November 2013

Condensed Statement of Comprehensive Income

For the six months ended 30 September 2013

	(Unaudited) 6 months ended 30 September 2013 $000	(Unaudited) 6 months ended 30 September 2012 $000
Interest revenue	1,588	1,119
Interest expense	(214)	(123)
Net interest income	**1,374**	**996**
Other income	257	76
Total operating income	**1,631**	**1,072**
Operating expenses	(1,135)	(901)
Impairment losses on loans and advances	(91)	(78)
Profit before tax	**405**	**93**
Taxation expense	(122)	(26)
Net profit and total comprehensive income after tax	**283**	**67**

Condensed Statement of Changes in Equity

For the six months ended 30 September 2013

(Unaudited)	Share Capital $000	Retained Earnings $000	Total $000
Balance as at 1 April 2012	**50,000**	**203**	**50,203**
Total comprehensive income for the period	-	67	**67**
Balance as at 30 September 2012	**50,000**	**270**	**50,270**
Balance as at 1 April 2013	**50,000**	**473**	**50,473**
Total comprehensive income for the period	-	283	**283**
Balance as at 30 September 2013	**50,000**	**756**	**50,756**

The accompanying notes on pages 10 to 15 form part of these condensed financial statements.

Condensed Statement of Financial Position

As at 30 September 2013

	Note	(Unaudited) 30 September 2013 $000	(Audited) 31 March 2013 $000	(Unaudited) 30 September 2012 $000
ASSETS				
Cash		73	44	60
Balance due from related parties	6	2,808	3,672	2,696
Due from other financial institutions		13,006	29,463	35,270
Loan and advances	8	49,587	30,490	21,069
Other assets		262	593	289
Current tax assets		-	36	87
Property and equipment	10	1,152	600	635
Deferred tax assets		61	45	26
Total assets		**66,949**	**64,943**	**60,132**
Total Interest Earning and Discount Bearing Assets		65,531	63,348	59,019
LIABILITIES				
Balance due to related parties	6	6,529	5,568	4,465
Deposits and other borrowings	9	9,437	8,673	5,238
Current tax liabilities		50	-	-
Other liabilities		177	229	159
Total liabilities		**16,193**	**14,470**	**9,862**
Net Assets		**50,756**	**50,473**	**50,270**
EQUITY				
Share capital		50,000	50,000	50,000
Retained earnings		756	473	270
Total shareholders' equity		**50,756**	**50,473**	**50,270**
Total Interest and Discount Bearing Liabilities		13,001	11,557	9,344

No financial assets presented in the condensed statement of financial position have been pledged as collateral for liabilities or contingent liabilities.

The accompanying notes on pages 10 to 15 form part of these condensed financial statements.

Condensed Statement of Cash Flows

For the six months ended 30 September 2013

	Note	(Unaudited) 30 September 2013 $000	(Unaudited) 30 September 2012 $000
Cash flows from operating activities			
Interest received		1,917	1,158
Fees and other income		257	76
Operating expenses paid		(1,095)	(822)
Interest paid		(238)	(111)
Income tax paid		(52)	-
Increase in advances to customers		(19,188)	(15,808)
Net proceeds from related parties		1,825	921
Increase in deposits from customers		764	2,385
Net cash flow used in operating activities		**(15,810)**	**(12,201)**
Cash flows from investing activities			
Decrease in balances with other financial institutions		18,000	10,500
Purchase of property and equipment		(618)	(4)
Net cash flow from investing activities		**17,382**	**10,496**
Cash flows from financing activities			
Proceeds from issuance of shares		-	-
Payment to related parties		-	-
Net cash flow (used in)/from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		1,572	(1,705)
Cash and cash equivalents at the beginning of the period		4,507	3,535
Cash and cash equivalents at the end of the period		**6,079**	**1,830**
Cash and cash equivalent is made up of:			
Cash	7	73	60
Cash equivalents due from other financial institutions at call	7	6,006	1,770
Total cash and cash equivalents		**6,079**	**1,830**

The accompanying notes on pages 10 to 15 form part of these condensed financial statements.

Notes to the Condensed Financial Statements

For the six months ended 30 September 2013

1. Basis of preparation

The reporting entity is Bank of India (New Zealand) Limited (the "Bank"). These condensed financial statements have been drawn up in accordance with the requirements of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order (No 2) 2013.

These condensed financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) as appropriate for profit-oriented entities.

These condensed financial statements have been prepared in accordance with NZ IAS 34 Interim Financial Reporting. These condensed financial statements also comply with IAS 34.

These condensed financial statements were authorised for issue by the directors on 21 November 2013.

2. *Significant accounting policies*

The financial statements have been prepared on the basis of historical cost, except for certain financial instruments which are carried at fair value.

The same accounting policies and methods of computation have been followed in these condensed financial statements as were applied in the preparation of the Bank's financial statements for year ended 31 March 2013.

Changes in accounting policy and disclosure

New and amended standards adopted by the branch:

Amendments to NZ IFRS 7 Financial Instruments: Disclosures (effective 1 January 2013). The amendments provides for new disclosures for offsetting a recognised financial asset and a recognised financial liability when it has an unconditional and legally enforceable right to set-off and intends either to settle the asset and liability on a net basis or to realise the asset and settle the liability simultaneously. The adoption of the new disclosures has not affected any of the amounts recognised in the financial statements.

NZ IFRS 13 Fair Value Measurement (effective 1 January 2013). It establishes a single source of guidance under NZ IFRS for determining fair value of assets and liabilities. NZ IFRS 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value under NZ IFRS when fair value is required or permitted by NZ IFRS. It also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. The adoption of this standard has not materially affected any of the amounts recognised in the financial statements.

3. *Income tax expense*

Interim period income tax is accrued based on 28% of estimated taxable profit (6 months ended 30 September 2012: 28%).

4. *Dividends*

During the interim and prior periods, the Bank has not paid any dividends to its shareholder.

5. *Segment information*

The Bank operates predominantly in the financial services industry within New Zealand.

Notes to the condensed financial statements

For the six months ended 30 September 2013

6. Related party transactions

Identity of related parties

The Bank is wholly owned by Bank of India, a Company incorporated in India. All related party transactions are conducted on normal commercial terms and conditions. No related party debts have been written off or forgiven during the period.

Transactions with related parties

	(Unaudited) 30 September 2013 $000	(Audited) 31 March 2013 $000	(Unaudited) 30 September 2012 $000
Interest income			
Bank of India (parent and ultimate parent)	27	35	17
Other related parties	-	-	-
Interest expense			
Bank of India (parent and ultimate parent)	-	-	-
Other related parties	116	188	68
Deposits with			
Bank of India (parent and ultimate parent)	2,808	3,165	2,696
Other related parties	-	507	-
Deposits from			
Bank of India (parent and ultimate parent)	109	419	60
Other related parties	6,420	5,149	4,405

7. Liquidity risk

The Bank holds the following financial assets for the purpose of managing liquidity risk:

	(Unaudited) as at 30 September 2013 $000	(Audited) as at 31 March 2013 $000	(Unaudited) as at 30 September 2012 $000
Cash	73	44	60
Due from other financial institutions (call deposits)	6,006	4,463	1,770
Due from other financial institutions (short term deposits)	7,000	25,000	33,500
Balance due from related parties	2,808	3,672	2,696
Total liquid assets	**15,887**	**33,179**	**38,026**

Notes to the Condensed Financial Statements

For the six months ended 30 September 2013

8. Loans and advances

	(Unaudited) as at 30 September 2013 $000	(Audited) as at 31 March 2013 $000	(Unaudited) as at 30 September 2012 $000
Residential mortgages loans	27,796	20,624	10,502
Corporate loans	21,709	9,800	10,619
Other loans	311	204	47
Allowance for impairment losses	(229)	(138)	(99)
Net loans and advances	**49,587**	**30,490**	**21,069**
Amounts due for settlement within 12 months	2,411	5,600	1,995
Amounts due for settlement after 12 months	47,176	24,890	19,074
Net loans and advances	**49,587**	**30,490**	**21,069**

9. Deposits and other borrowings

	(Unaudited) as at 30 September 2013 $000	(Audited) as at 31 March 2013 $000	(Unaudited) as at 30 September 2012 $000
Retail deposits	9,437	8,673	5,238
Wholesale deposits	-	-	-
Total deposits	**9,437**	**8,673**	**5,238**
Amounts due for settlement within 12 months	9,437	8,673	5,238
Amounts due for settlement after 12 months	-	-	-
Total deposits	**9,437**	**8,673**	**5,238**

Notes to the condensed financial statements

For the six months ended 30 September 2013

10. Property and Equipment

(Unaudited)	Leasehold Improvements $000	Computer Equipment $000	Office Equipment $000	Furniture $000	Total $000
Costs					
Balance as at 1 April 2012	506	36	56	105	703
Additions	-	3	-	-	3
Disposals	-	-	-	-	-
Balance as at 30 September 2012	506	39	56	105	706
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2013	506	39	56	105	706
Additions	522	20	18	28	588
Disposals	-	(3)	-	(3)	(6)
Balance as at 30 September 2013	1,028	56	74	130	1,288
Accumulated depreciation					
Balance as at 1 April 2012	20	7	3	6	36
Disposals	-	-	-	-	-
Depreciation	22	6	2	5	35
Balance as at 30 September 2012	42	13	5	11	71
Disposals	-	-	-	-	-
Depreciation	20	7	3	5	35
Balance as at 31 March 2013	62	20	8	16	106
Disposals	-	(3)	-	(1)	(4)
Depreciation	20	6	3	5	34
Balance as at 30 September 2013	82	23	11	20	136
Carrying amount					
Balance as at 30 September 2012	464	26	51	94	635
Balance as at 31 March 2013	444	19	48	89	600
Balance as at 30 September 2013	946	33	63	110	1,152

11. Contingencies

The Bank has no contingent liabilities as at 30 September 2013 (31 March 2013: $nil; 30 September 2012: $nil).

Notes to the condensed financial statements

For the six months ended 30 September 2013

12. Financial Instruments

Fair value of financial instruments

(Unaudited) As at 30 September 2013	Carrying Amounts $000	Estimated Fair Value $000
Assets		
Cash and cash equivalents	73	73
Balance due from related parties	2,808	2,808
Due from other financial institutions	13,006	13,006
Loans and advances	49,587	49,780
Interest receivable	138	138
Total financial assets	**65,612**	**65,805**
Liabilities		
Balance due to related parties	6,529	6,529
Deposits and other borrowings	9,437	9,437
Other liabilities	177	177
Total financial liabilities	**16,143**	**16,143**

(Audited) As at 31 March 2013	Carrying Amounts $000	Estimated Fair Value $000
Assets		
Cash and cash equivalents	44	44
Balance due from related parties	3,672	3,672
Due from other financial institutions	29,463	29,463
Loans and advances	30,490	30,948
Interest receivable	467	467
Total financial assets	**64,136**	**64,594**
Liabilities		
Balance due to related parties	5,568	5,568
Deposits and other borrowings	8,673	8,673
Other liabilities	229	229
Total financial liabilities	**14,470**	**14,470**

Notes to the condensed financial statements

For the six months ended 30 September 2013

(Unaudited) As at 30 September 2012	Carrying Amounts $000	Estimated Fair Value $000
Assets		
Cash and cash equivalents	60	60
Balance due from related parties	2,696	2,696
Due from other financial institutions	35,270	35,270
Loans and advances	21,069	21,069
Interest receivable	190	190
Total financial assets	**59,285**	**59,285**
Liabilities		
Balance due to related parties	4,465	4,465
Deposits and other borrowings	5,238	5,238
Other liabilities	159	159
Total financial liabilities	**9,862**	**9,862**

13. Commitments

Capital commitments

As at 30 September 2013, the Bank does not have any commitments for capital expenditure (31 March 2013: $nil; 30 September 2012: $nil).

Operating lease commitments

Operating leases relates to the Bank's premises and motor vehicles.

	(Unaudited) as at 30 September 2013 $000	(Audited) as at 31 March 2013 $000	(Unaudited) as at 30 September 2012 $000
Not longer than one year	292	175	175
Longer than one year and not longer than five years	857	478	564
Longer than five years	560	-	-
Total	**1,709**	653	739

Credit related commitments

	(Unaudited) as at 30 September 2013 $000	(Audited) as at 31 March 2013 $000	(Unaudited) as at 30 September 2012 $000
Lending commitments approved not yet advanced	2,422	3,514	4,950
Total	**2,422**	**3,514**	**4,950**

14. Events after the end of the reporting period

There were no significant subsequent events subsequent to 30 September 2013.

The following supplementary disclosures are made in accordance with the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order (No 2) 2013.

1. Asset Quality

The bank has no past due and impaired assets, individually impaired assets, and individual credit impairment allowances as at 30 September 2013 (30 September 2012: $nil).

Allowance for impairment losses

As at 30 September 2013 (Unaudited)	Residential mortgage loans $000	On balance sheet corporate exposures $000	Other on balance sheet exposures $000	Total $000
Collectively assessed provisions				
Balance at 1 April 2013	82	56	-	138
Charge to statement of comprehensive income	29	62	-	91
Other movements	-	-	-	-
Balance at 30 September 2013	**111**	**118**	**-**	**229**
Individually assessed provisions				
Balance at 1 April 2013	-	-	-	-
Charge to statement of comprehensive income	-	-	-	-
Other movements	-	-	-	-
Balance at 30 September 2013	**-**	**-**	**-**	**-**
Total allowance for impairment losses	**111**	**118**	**-**	**229**

As at 30 September 2012 (Unaudited)	Residential mortgage loans $000	On balance sheet corporate exposures $000	Other on balance sheet exposures $000	Total $000
Collectively assessed provisions				
Balance at 1 April 2012	21	-	-	21
Charge to statement of comprehensive income	61	17	-	78
Other movements	-	-	-	-
Balance at 30 September 2012	**82**	**17**	**-**	**99**
Individually assessed provisions				
Balance at 1 April 2012	-	-	-	-
Charge to statement of comprehensive income	-	-	-	-
Other movements	-	-	-	-
Balance at 30 September 2012	**-**	**-**	**-**	**-**
Total allowance for impairment losses	**82**	**17**	**-**	**99**

The Bank does not have any financial assets designated as fair value through profit or loss as at and for the six months ended 30 September 2013. As such, there were no changes in fair value attributable to changes in credit risks that have been charged to the statement of comprehensive income for the six months ended 30 September 2013.

There was no aggregate amount of undrawn balances on lending commitments to counterparties for whom drawn balances are classified as individually impaired as at and for the six months ended 30 September 2013.

There were no other assets under administration as at and for the six months ended 30 September 2013.

2. Capital Adequacy

The following capital adequacy information is disclosed in relation to the Registered Bank and is derived in accordance with the conditions of registration relating to capital adequacy. For the purpose of the conditions of registration, capital requirements and ratios are calculated in accordance with the Reserve Bank of New Zealand Capital Adequacy Framework (BS2A) dated September 2013.

Capital and Capital ratios

	(Unaudited) 30 September 2013 $000
Tier one capital	
Common Equity Tier 1 ("CET1") Capital	
Issued and fully paid up ordinary share capital	50,000
Retained earnings	756
Less deductions from CET1 capital	
Deferred tax assets	*(61)*
Total Common Equity Tier 1 Capital	**50,695**
Additional Tier 1 ("AT1") Capital	-
Tier 1 Capital	**50,695**
Tier 2 Capital	-
Total capital	**50,695**

Capital ratios and solo capital adequacy	**(Unaudited) as at 30 September 2013**	**(Unaudited) as at 30 September 2012**
Common equity Tier 1 capital ratio	110.07%	n/a
Tier one capital ratio	110.07%	165.35%
Total capital ratio	110.07%	165.35%

Minimum ratio requirement	**(Unaudited) as at 30 September 2013**	**(Unaudited) as at 30 September 2012**
Common equity Tier 1 capital ratio	4.5%	n/a
Tier one capital ratio	6%	4%
Total capital ratio	8%	8%

Buffer ratio	**(Unaudited) as at 30 September 2013**	**(Unaudited) as at 30 September 2012**
Buffer ratio	102.07%	n/a
Buffer ratio requirement	2.5%	n/a

The buffer ratio requirement comes into effect on and after 1 January 2014.

The Bank has 50,000,010 fully paid ordinary shares (tier one capital) issued at NZ$1 per share. Bank of India is the sole shareholder. Each share confers on the holder the right to:

- one vote on a poll at a meeting of the Bank on any resolution;
- the right to equal share in dividends authorised by the board;
- the right to an equal share in the distribution of the surplus assets of the Bank.

Capital requirements for other material risks

The other material risks that the Bank has identified are described below:

Reputation Risk: The risk of potential damage to the Bank from a deterioration of reputation.

Transfer Risk: The risk that funds in foreign currencies cannot be transferred out of a country. The risk relates to specific explicit government restrictions or simply depleted foreign exchange funds in the non-industrial countries of Africa, Asia, Latin America and Central and Eastern Europe.

Strategic / Business Risks: Current and prospective impact on earnings or capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes.

Tax Risk: Risk arising from adverse changes in relevant taxation laws, failure to correctly identify implications of existing taxation laws or breaches of tax laws.

Legal Risk: Risk arising from legal proceedings or failure to legally enforce a contractual arrangement relating to the Bank's activities.

The Bank has reviewed these other risks and do not believe any individual risk as being material and requiring a capital allocation. The Bank will review this allocation methodology every reporting period in line with industry practice as this area evolves over time.

The Bank measures the primary risks and its overall minimum Capital Adequacy Ratio in accordance with the Reserve Bank document entitled "Capital Adequacy Framework" (Standardised Approach) (BS2A) dated September 2013. The Bank's approach to assess capital adequacy recognises the importance of using both quantitative techniques and qualitative assessment/management judgement in arriving at a final measure of risk. As part of its on-going capital planning and budgeting processes management also develops a range of scenarios as a basis for identifying plausible severe loss events and changes in market conditions and measures/quantifies the potential financial impacts (direct and indirect) on the Bank's capital adequacy for the foreseeable future (2-3 years).

Credit Risk

The Bank's credit risk exposure is derived in accordance with the Reserve Bank document 'Capital adequacy framework (Standardised Approach)' (BS2A) dated September 2013.

On Balance Sheet exposures as at 30 September 2013 (Unaudited)	Total exposure after credit risk mitigation $000	Risk weight	Risk weighted exposure $000	Minimum Pillar 1 capital requirement $000
Cash and gold bullion	73	0%	-	-
Banks	13,260	20%	2,652	212
	2,555	100%	2,555	204
Residential mortgages not past due	21,543	35%	7,540	603
	6,253	50%	3,127	250
Corporate	21,730	100%	21,730	1,738
Other assets	1,535	100%	1,535	123
Total on balance sheet exposure	66,949		39,139	3,130

Off Balance Sheet exposures as at 30 September 2013 (Unaudited)	Total exposure $000	Credit conversion factor	Credit equivalent amount $000	Average risk weight	Risk weighted exposure $000	Minimum Pillar 1 capital requirement $000
Other commitments where original maturity is more than one year	2,422	50%	1,211	52%	630	50
Total off balance sheet exposure	**2,422**		**1,211**		**630**	**50**

Credit risk mitigation
No on or off-balance sheet exposures are covered by eligible collateral, guarantees or credit derivatives.

Total capital requirement

As at (Unaudited)	Total exposure after credit risk mitigation $000	Risk weighted exposure or implied risk weighted exposure $000	Capital requirement $000
30 September 2013			
Total credit risk + equity risk	69,371	39,769	3,180
Operational risk	n/a	5,049	404
Market risk	n/a	1,241	99
Total	**n/a**	**46,059**	**3,683**

Market risk end of period capital charges

As at (Unaudited)	Implied risk Weighted Exposure $000	Aggregate Capital Charge $000
30 September 2013		
Interest rate risk	1,224	98
Foreign currency risk	17	1
Equity risk	-	-
Total	**1,241**	**99**

Market risk peak end-of-day capital charges

For six months ended (Unaudited)	Implied risk Weighted Exposure $000	Aggregate Capital Charge $000
30 September 2013		
Interest rate risk	1,224	98
Foreign currency risk	37	3
Equity risk	-	-
Total	**1,261**	**101**

The above capital charges are derived in accordance with the Conditions of Registration relating to capital adequacy and the Reserve Bank document entitled "Capital Adequacy Framework" (Standardised Approach) (BS2A) dated September 2013.

Residential mortgage by loan-to-valuation ratio (LVR)

LVR range as at 30 September 2013 (Unaudited)	Does not exceed 80%	Exceeds 80% and not 90%	Exceeds 90%	Total
Value of exposures - On Balance Sheet	21,543	6,253	-	27,796
Value of exposures - Off Balance Sheet	1,786	-	-	1,786
Total value of exposure	**23,329**	**6,253**	-	**29,582**

Capital ratios of the ultimate parent bank

	As at 30 September 2013	As at 30 September 2012
Tier one capital ratio	8.13%	8.07%
Total capital ratio	10.77%	11.10%

The ultimate parent bank is Bank of India, domiciled in India. Figures are taken from Bank of India's financial results for half year ended September 2013 and Bank of India's Basel II (Pillar 3) disclosures as on 30 September 2012. The above ratios as at 30 September 2013 are derived in accordance with the Capital Adequacy Framework (Basel III) as per RBI guidelines effective 1 April 2013. The above ratios as at 30 September 2012 are derived in accordance with the Capital Adequacy Framework (Basel II) as per Reserve Bank of India (RBI) guidelines effective 31 March 2008.

Bank of India is required by the RBI to hold minimum capital at least equal to that specified under the Basel III (standardised) approach. At the last reporting date (i.e. 30 September 2013) Bank of India was in compliance with the requirements imposed.

Bank of India has published Basel III disclosure information on the implementation of the Basel III capital adequacy framework on its website and can be found at http://www.bankofindia.co.in

3. Concentration of credit exposures to individual counterparties

Credit exposure is calculated on the basis of actual exposure net of any amounts offset and any individual credit impairment allowances. The credit exposure information excludes credit exposures to connected persons, bank counterparties and the central government of any country with a long-term credit rating of A- or A3 or above, or its equivalent.

There were no individual bank and non-bank counterparties which the Bank's Banking Group has an aggregate credit exposure that equals or exceeds 10% of the Bank's Banking Group's equity as at 30 September 2013.

There were no individual bank and non-bank counterparties which the Bank's Banking Group has a peak end-of-day aggregate credit exposure that equals or exceeds 10% of the Bank's Banking Group's equity for the six months ended 30 September 2013.

4. Insurance Business and Non-Financial Activities

The Bank does not conduct any insurance business, securitisation, funds management, other fiduciary activities or non-financial activities.

5. Risk management policies

There has been no material change in the Bank's risk management policies since the date of the previous Disclosure Statement dated 30 June 2013. The Bank has not been exposed to any new categories of risk since the date of the previous Disclosure Statement dated 30 June 2013.

6. Concentration of credit risk

The following table breaks down the Bank's main credit exposure at their carrying amounts, as categorised by the industry and geography area of the Bank's main counterparties.

Analysis of on-balance sheet credit exposure by industry:	**(Unaudited) 30 September 2013** *$000*
Personal & Other Services	493
Property & Business Services	21,342
Finance, Investment & Insurance	1,963
Retail & Wholesale Trade	3,635
Other	2,082
Households	19,089
Printing & Related Activities	1,212
Subtotal	49,816
Allowance for impairment losses	(229)
Total on-balance sheet credit exposures	**49,587**

Analysis of on-balance sheet exposures by geographic area:	**(Unaudited) 30 September 2013** *$000*
New Zealand	49,587
Total on-balance sheet credit exposures	**49,587**

Off-balance sheet credit exposure	**(Unaudited) 30 September 2013** *$000*
Loan commitments	2,422
Total off-balance sheet credit exposures	**2,422**

Analysis of off-balance sheet credit exposure by industry:	(Unaudited) 30 September 2013 $000
Personal & Other Services	5
Property & Business Services	1,527
Finance, Investment & Insurance	143
Retail & Wholesale Trade	-
Other	449
Households	217
Printing & Related Activities	81
Total off-balance sheet credit exposures	**2,422**

7. Concentration of funding

Concentrations of funding arise where the Bank is funded by industries of a similar nature or in particular geographies. An analysis of financial liabilities by customer and industry sector and geographical area as at 30 September 2013 is as follows:

Analysis of funding by industry sector:	(Unaudited) 30 September 2013 $000
Finance, Investment & Insurance	6,829
Households	5,867
Personal & Other Services	100
Health & Community Services	500
Other	2,670
Total funding	**15,966**

Analysis of funding by geographical area:	(Unaudited) 30 September 2013 $000
New Zealand	15,870
Asia	96
Total funding	**15,966**

8. Interest repricing

The table below summarises the Bank's exposure to interest rate risk. It includes the financial instruments at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

(Unaudited) As at 30 September 2013	Total $000	Up to 3 months $000	Over 3 months and up to 6 months $000	Over 6 months and up to 1 year $000	Over 1 year and up to 2 years $000	Over 2 years $000	Non-interest bearing $000
Financial assets							
Cash and cash equivalents	73	-	-	-	-	-	73
Balance due from related parties	2,808	228	1,224	1,331	-	-	25
Due from other financial institutions	13,006	7,932	5,000	-	-	-	74
Loans and advances	49,587	37,876	1,061	4,125	6,287	467	(229)
Interest receivable	138	-	-	-	-	-	138
Total financial assets	**65,612**	**46,036**	**7,285**	**5,456**	**6,287**	**467**	**81**
Financial liabilities							
Balance due to related parties	6,529	-	509	3,795	1,714	402	109
Deposits and other borrowings	9,437	5,087	1,344	150	-	-	2,856
Other liabilities	177	-	-	-	-	-	177
Total financial liabilities	**16,143**	**5,087**	**1,853**	**3,945**	**1,714**	**402**	**3,142**

9. Liquidity risk

The table below summarises the cash flows receivable and payable by the Bank under non-derivative financial assets and liabilities by remaining contractual maturities as at 30 September 2013:

(Unaudited) As at 30 September 2013	On demand $000	Up to 3 months $000	3 to 12 months $000	1 to 5 years $000	Over 5 years $000	Total $000
Assets						
Cash and cash equivalents	73	-	-	-	-	73
Balance due from related parties	25	229	2,635	-	-	2,889
Due from other financial institutions	6,006	2,019	5,095	-	-	13,120
Loans and advances	1,930	1,145	4,161	25,379	42,153	74,768
Interest receivable	-	138	-	-	-	138
Total financial assets	**8,034**	**3,531**	**11,891**	**25,379**	**42,153**	**90,988**
Liabilities						
Balance due to related parties	108	-	4,452	2,322	-	6,882
Deposits and other borrowings	3,502	4,471	1,545	-	-	9,518
Other liabilities	177	-	-	-	-	177
Total financial liabilities	**3,787**	**4,471**	**5,997**	**2,322**	**-**	**16,577**
Net non-derivative cash flows	**4,247**	**(940)**	**5,894**	**23,057**	**42,153**	**74,411**
Off Balance sheet cash flows						
Loan commitments	2,422	-	-	-	-	2,422
Total	**2,422**	**-**	**-**	**-**	**-**	**2,422**
Net cash flows	**1,825**	**(940)**	**5,894**	**23,057**	**42,153**	**71,989**

Independent Auditors' Review Statement

To the shareholder of Bank of India (New Zealand) Limited

Report on the Financial Statements

We have reviewed pages 7 to 25 of the half year Disclosure Statement of Bank of India (New Zealand) Limited (the 'Bank') at 30 September 2013, which consists of the financial statements required by Clause 25 of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order (No 2) 2013 (the 'Order') and the supplementary information required by Schedules 5, 7, 9, 13, 16 and 18 of the Order. The financial statements comprise the condensed statement of financial position as at 30 September 2013, the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the six months then ended, and the notes to the condensed financial statements that include a statement of accounting policies and other explanatory information for the Bank.

Directors' Responsibility for the Financial Statements and Supplementary Disclosures

The Directors of Bank of India (New Zealand) Limited (the 'Directors') are responsible for the preparation and presentation of the half year Disclosure Statement, which includes financial statements prepared in accordance with Clause 25 of the Order and that present fairly the financial position of the Bank as at 30 September 2013, and its financial performance and cash flows for the period ended on that date. The Directors are also responsible for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In addition, the Directors are responsible for the preparation and fair presentation of supplementary information in the half year Disclosure Statement which complies with Schedules 3, 5, 7, 9, 13, 16 and 18 of the Order.

Reviewers' Responsibility

We are responsible for reviewing the financial statements and the supplementary information, disclosed in accordance with Clause 25, Schedules 5, 7, 9, 13, 16 and 18 of the Order, presented by the Directors.

We are responsible for reviewing the financial statements (excluding the supplementary information) in order to report to you whether, in our opinion on the basis of the procedures performed by us, anything has come to our attention that would cause us to believe that the financial statements have not been prepared, in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34: Interim Financial Reporting.

We are responsible for reviewing the supplementary information (excluding the supplementary information relating to capital adequacy) in order to report to you whether, in our opinion on the basis of the procedures performed by us, anything has come to our attention that would cause us to believe that the supplementary information does not fairly state the matters to which it relates in accordance with Schedules 5, 7, 13, 16 and 18 of the Order.

We are responsible for reviewing the supplementary information relating to capital adequacy in order to report to you whether, in our opinion on the basis of the procedures performed by us, anything has come to our attention that would cause us to believe that the supplementary information is not in all material respects:

Independent Auditors' Review Statement

Bank of India (New Zealand) Limited

(a) prepared in accordance with the Bank's Conditions of Registration; and

(b) disclosed in accordance with Schedule 9 of the Order.

A review is limited primarily to enquiries of the Bank's personnel and analytical review procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit on the financial statements and, accordingly, we do not express an audit opinion.

We have reviewed the financial statements of the Bank for the six months ended 30 September 2013 in accordance with the Review Engagement Standards issued in New Zealand.

Certain partners and employees of our firm may deal with the Bank on normal terms within the ordinary course of trading activities of the Bank. These matters have not impaired our independence as auditors of the Bank. We have no other interests in the Bank.

Opinion

Based on our review nothing has come to our attention that causes us to believe that:

(a) the financial statements and supplementary disclosures on pages 7 to 25 (excluding the supplementary information referred to in (b) and (c) below) have not been prepared, in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34: Interim Financial Reporting and do not present fairly the financial position of the Bank as at 30 September 2013 and its financial performance and cash flows for the six months ended on that date;

(b) the supplementary information prescribed by Schedules 5, 7, 13, 16 and 18 of the Order, does not fairly state the matters to which it relates in accordance with those Schedules; and

(c) the supplementary information relating to capital adequacy prescribed by Schedule 9 of the Order, is not, in all material respects:

   i. prepared in accordance with the Bank's Conditions of Registration; and

   ii. disclosed in accordance with Schedule 9 of the Order.

Restriction on Distribution or Use

This report is made solely to the Bank's shareholder. Our review work has been undertaken so that we might state to the Bank's shareholder those matters which we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's shareholder, for our review procedures, for this report or for the opinions we have formed.

PricewaterhouseCoopers

Chartered Accountants
22 November 2013

Auckland

Conditions of registration apply on and after 1 October 2013.

The registration of Bank of India (New Zealand) Limited ("the bank") as a registered bank is subject to the following conditions:

1. That –

(a) the Total capital ratio of the banking group is not less than 8 percent;
(b) the Tier 1 capital ratio of the banking group is not less than 6 percent;
(c) the Common Equity Tier 1 capital ratio of the banking group is not less than 4.5 percent;
(d) the capital of the banking group is not less than $30 million; and
(e) the process in Subpart 2H of the Reserve Bank of New Zealand document: "Capital Adequacy Framework (Standardised Approach)" (BS2A) dated September 2013 is followed for the recognition and repayment of capital.

For the purposes of this condition of registration, capital, the Total capital ratio, the Tier 1 capital ratio, and the Common Equity Tier 1 capital ratio must be calculated in accordance with the Reserve Bank of New Zealand document: "Capital Adequacy Framework (Standardised Approach)" (BS2A) dated September 2013.

1A. That—

(a) the bank has an internal capital adequacy assessment process ("ICAAP") that accords with the requirements set out in the document "Guidelines on a bank's internal capital adequacy assessment process ("ICAAP")" (BS12) dated December 2007;
(b) under its ICAAP, the bank identifies and measures its "other material risks" defined as all material risks of the banking group that are not explicitly captured in the calculation of the Common Equity Tier 1 capital ratio, the Tier 1 capital ratio and the Total capital ratio under the requirements set out in the document "Capital Adequacy Framework (Standardised Approach)" (BS2A) dated September 2013; and
(c) the bank determines an internal capital allocation for each identified and measured "other material risk".

1B. That, if the buffer ratio of the banking group is 2.5% or less, the bank must:

(a) according to the following table, limit the aggregate distributions of the bank's earnings to the percentage limit to distributions that corresponds to the banking group's buffer ratio:

Banking group's buffer ratio	Percentage limit to distributions of the bank's earnings
0% - 0.625%	0%
>0.625 - 1.25%	20%
>1.25 - 1.875%	40%
>1.875 - 2.5%	60%

(b) prepare a capital plan to restore the banking group's buffer ratio to above 2.5% within any timeframe determined by the Reserve Bank for restoring the buffer ratio; and
(c) have the capital plan approved by the Reserve Bank.

For the purpose of this condition of registration,—

"buffer ratio", "distributions", and "earnings" have the same meaning as in Part 3 of the Reserve Bank of New Zealand document: "Capital Adequacy Framework (Standardised Approach)" (BS2A) dated September 2013.

This condition of registration applies on and after 1 January 2014.

2. That the banking group does not conduct any non-financial activities that in aggregate are material relative to its total activities.

   In this condition of registration, the meaning of "material" is based on generally accepted accounting practice.

3. That the banking group's insurance business is not greater than 1% of its total consolidated assets. For the purposes of this condition of registration, the banking group's insurance business is the sum of the following amounts for entities in the banking group:

   (a) if the business of an entity predominantly consists of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total consolidated assets of the group headed by the entity; and
   (b) if the entity conducts insurance business and its business does not predominantly consist of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total liabilities relating to the entity's insurance business plus the equity retained by the entity to meet the solvency or financial soundness needs of its insurance business.

   In determining the total amount of the banking group's insurance business—

   (a) all amounts must relate to on balance sheet items only, and must comply with generally accepted accounting practice; and
   (b) if products or assets of which an insurance business is comprised also contain a non-insurance component, the whole of such products or assets must be considered part of the insurance business.

   For the purposes of this condition of registration,—

   "insurance business" means the undertaking or assumption of liability as an insurer under a contract of insurance:
   "insurer" and "contract of insurance" have the same meaning as provided in sections 6 and 7 of the Insurance (Prudential Supervision) Act 2010.

4. That the aggregate credit exposures (of a non-capital nature and net of any allowances for impairment) of the banking group to all connected persons do not exceed the rating-contingent limit outlined in the following matrix:

Credit ratings of the bank[1]	Connected exposure limit (% of the Banking Group's Tier 1 capital)
AA/Aa2 and above	75
AA-/Aa3	70
A+/A1	60
A/A2	40
A-/A3	30
BBB+/Baa1 and below	15

Within the rating-contingent limit, credit exposures (of a non-capital nature and net of any allowances for impairment) to non-bank connected persons shall not exceed 15 percent of the banking group's tier 1 capital.

For the purposes of this condition of registration, compliance with the rating-contingent connected exposure limit is determined in accordance with the Reserve Bank of New Zealand document entitled "Connected Exposures Policy" (BS8) dated September 2013.

5. That exposures to connected persons are not on more favourable terms (e.g. as relates to such matters as credit assessment, tenor, interest rates, amortisation schedules and requirement for collateral) than corresponding exposures to non-connected persons.

6. That the bank complies with the following corporate governance requirements:

   (a) the board of the bank must have at least four directors, and on and after 31 March 2013 must have at least five directors;
   (b) the majority of the board members must be non-executive directors;
   (c) at least half of the board members must be independent directors;
   (d) an alternate director,—
      i. for a non-executive director must be non-executive: and
      ii. for an independent director must be independent;
   (e) at least half of the independent directors of the bank must be ordinarily resident in New Zealand;
   (f) the chairperson of the board of the bank must be independent; and
   (g) the bank's constitution must not include any provision permitting a director, when exercising powers or performing duties as a director, to act other than in what he or she believes is the best interests of the company (i.e. the bank).

For the purposes of this condition of registration, "non-executive" and "independent" have the same meaning as in the Reserve Bank of New Zealand document entitled "Corporate Governance" (BS 14) dated March 2011.

7. That no appointment of any director, chief executive officer, or executive who reports or is accountable directly to the chief executive officer, is made in respect of the bank unless:

   (a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and

[1] This table uses the rating scales of Standard & Poor's, Fitch Ratings and Moody's Investors Service. (Fitch Ratings' scale is identical to Standard & Poor's.)

(b) the Reserve Bank has advised that it has no objection to that appointment.

8. That a person must not be appointed as chairperson of the board of the bank unless:

   (a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and
   (b) the Reserve Bank has advised that it has no objection to that appointment.

9. That the bank has a board audit committee, or other separate board committee covering audit matters, that meets the following requirements:

   (a) the mandate of the committee must include: ensuring the integrity of the bank's financial controls, reporting systems and internal audit standards;
   (b) the committee must have at least three members;
   (c) every member of the committee must be a non-executive director of the bank;
   (d) the majority of the members of the committee must be independent; and
   (e) the chairperson of the committee must be independent and must not be the chairperson of the bank.

   For the purposes of this condition of registration, "non-executive" and "independent" have the same meaning as in the Reserve Bank of New Zealand document entitled "Corporate Governance" (BS 14) dated March 2011.

10. That a substantial proportion of the bank's business is conducted in and from New Zealand.

11. That the banking group complies with the following quantitative requirements for liquidity-risk management:

    (a) the one-week mismatch ratio of the banking group is not less than zero per cent at the end of each business day;
    (b) the one-month mismatch ratio of the banking group is not less than zero per cent at the end of each business day; and
    (c) the one-year core funding ratio of the banking group is not less than 75 per cent at the end of each business day.

    For the purposes of this condition of registration, the ratios identified must be calculated in accordance with the Reserve Bank of New Zealand documents entitled "Liquidity Policy" (BS13) dated March 2011 and "Liquidity Policy Annex: Liquid Assets" (BS13A) dated December 2011.

12. That the bank has an internal framework for liquidity risk management that is adequate in the bank's view for managing the bank's liquidity risk at a prudent level, and that, in particular:

    (a) is clearly documented and communicated to all those in the organisation with responsibility for managing liquidity and liquidity risk;
    (b) identifies responsibility for approval, oversight and implementation of the framework and policies for liquidity risk management;
    (c) identifies the principal methods that the bank will use for measuring, monitoring and controlling liquidity risk; and
    (d) considers the material sources of stress that the bank might face, and prepares the bank to manage stress through a contingency funding plan.

13. That no more than 10% of total assets may be beneficially owned by a SPV. For the purposes of this condition,—

"total assets" means all assets of the banking group plus any assets held by any SPV that are not included in the banking group's assets:

"SPV" means a person—

(a) to whom any member of the banking group has sold, assigned, or otherwise transferred any asset;
(b) who has granted, or may grant, a security interest in its assets for the benefit of any holder of any covered bond; and
(c) who carries on no other business except for that necessary or incidental to guarantee the obligations of any member of the banking group under a covered bond:

"covered bond" means a debt security issued by any member of the banking group, for which repayment to holders is guaranteed by a SPV, and investors retain an unsecured claim on the issuer.

14. That –

(a) no member of the banking group may give effect to a qualifying acquisition or business combination that meets the notification threshold, and does not meet the non-objection threshold, unless:
   i. the bank has notified the Reserve Bank in writing of the intended acquisition or business combination and at least 10 working days have passed; and
   ii. at the time of notifying the Reserve Bank of the intended acquisition or business combination, the bank provided the Reserve Bank with the information required under the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011; and
(b) no member of the banking group may give effect to a qualifying acquisition or business combination that meets the non-objection threshold unless:
   i. the bank has notified the Reserve Bank in writing of the intended acquisition or business combination;
   ii. at the time of notifying the Reserve Bank of the intended acquisition or business combination, the bank provided the Reserve Bank with the information required under the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011; and
   iii. the Reserve Bank has given the bank a notice of non-objection to the significant acquisition or business combination.

For the purpose of this condition of registration, "qualifying acquisition or business combination", "notification threshold" and "non-objection threshold" have the same meaning as in the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011.

15. That, for a loan-to-valuation measurement period, the total of the bank's qualifying new mortgage lending amounts must not for residential properties with a loan-to-valuation ratio of more than 80 percent, exceed 10 percent of total for the qualifying new mortgage lending amounts arising in the loan-to-valuation measurement period.

16. That the bank must not make a residential mortgage loan unless the terms and conditions of the loan contract or the terms and conditions for an associated mortgage require that a borrower obtain the bank's agreement before the borrower can grant to another person a charge over the residential property used as security over loan.

17. That the bank must not permit a borrower to grant a charge in favour of another person over a residential property used as security for a residential mortgage loan unless the sum of the lending secured by the charge and the loan value for the residential mortgage loan would not exceed 80 percent of the property value of the residential property when the lending secured by the charge is drawn down.

18. That the bank must not provide a residential mortgage loan if the residential property to be mortgaged to the bank as security for the residential mortgage loan is subject to a charge in favour of another person unless the total amount of credit secured by the residential property would not exceed 80 percent of the property value when the residential mortgage loan is drawn down.

19. That the bank must not act as broker or arrange for a member of its bankinggroup to provide a residential mortgage loan.

In these conditions of registration,—

"banking group" means Bank of India (New Zealand) Limited's financial reporting group (as defined in section 2(1) of the Financial Reporting Act 1993);

"generally accepted accounting practice" has the same meaning as in section 2 of the Financial Reporting Act 1993.

In conditions of registration 15 to 19, —

"loan-to-valuation ratio", "loan value", "property value", "qualifying new mortgage lending amount" and "residential mortgage loan" have the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on High-LVR Residential Mortgage Lending" (BS19) dated September 2013;

"loan-to-valuation measurement period" means a period of six calendar months ending on the last day of the sixth calendar month, the first of which ends on the last day of March 2014.