



## RATING RATIONALE

15 October 2020

### Oriental Bank of Commerce

#### Brickwork Ratings withdraws the ratings of the Innovative Perpetual Debt Instruments and Upper Tier II Bonds of Oriental Bank of Commerce

#### Particulars

Instrument **	Amount (Rs Crs)		Tenure	Rating*	
	Previous	Present		Previous (Oct 2019)	Present#
Innovative Perpetual Debt Instrument	500 (raised Rs 300 Cr)	500 (raised Rs 300 Cr)	Long Term	BWR A+/ Credit Watch with Developing Implications	Rating Withdrawn ^
Innovative Perpetual Debt Instrument	300	300	Long Term	BWR A+/ Credit Watch with Developing Implications	Rating Withdrawn #
Upper Tier II Bonds (Basel II)	200	200	Long Term	BWR A+/ Credit Watch with Developing Implications	Rating Withdrawn #
<b>Total</b>	<b>1000</b>	<b>1000</b>	<b>Rupees One Thousand Crores only</b>		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for the definition of the ratings

#The rating is withdrawn on account of the transfer of instruments from Oriental Bank of Commerce to Punjab National Bank upon amalgamation

^ The rating is withdrawn on account of the redemption of instruments

\*\* ISIN Details of Instruments are provided in Annexure-I

#### RATING ACTION / WITHDRAWAL

Brickwork Ratings (BWR) has withdrawn the rating of the innovative perpetual debt instruments of Rs 500 Cr on account of the redemption of instruments. The debenture trustee has confirmed the redemption of these instruments. BWR has also withdrawn the rating of the innovative perpetual debt instruments of Rs 300 Cr and upper Tier II bonds of Rs 200 Cr of Oriental Bank of Commerce (OBC) on account of the transfer of instruments to Punjab National Bank (PNB) upon amalgamation. BWR has received the necessary documentation for the rating withdrawal and is in line with BWR's rating withdrawal policy.

#### ABOUT THE BANK

Oriental Bank of Commerce (OBC) is a Public Sector Bank (PSB) with its corporate office in Gurugram and operations in all the major commercial centres in the country. In August 2019, the Government of India (GOI) announced the amalgamation of 10 PSBs to form four PSBs. Subsequently, OBC and United Bank of India (UBI) were amalgamated into PNB with effect from 1 April 2020.

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY**

**RATING HISTORY FOR THE PREVIOUS THREE YEARS (Including withdrawal and suspended)**

Sr. No.	Name of Instrument	Type	Amount (Rs Crs)	Rating History for the past 3 years					
				Current Rating (2020)		2019		2018	2017
				Amount (Rs Crs)	Rating	15 October 2019	30 March 2019	26-Mar-18	25-Oct-17
1	Innovative Perpetual Debt instruments	Long Term	500 (raised Rs 300 Cr)	500 (raised Rs 300 Cr)	Withdrawn *	BWR A+/Credit Watch with Developing Implications	BWR A+/Stable	BWR A+/Negative	BWR A+/Credit Watch with Positive Implications
2	Innovative Perpetual Debt instruments	Long Term	300	300	Withdrawn **	BWR A+/Credit Watch with Developing Implications	BWR A+/Stable	BWR A+/Negative	BWR A+/Credit Watch with Positive Implications
3	Upper Tier II bonds	Long Term	200	200	Withdrawn **	BWR A+/Credit Watch with Developing Implications	BWR A+/Stable	BWR A+/Negative	BWR A+/Credit Watch with Positive Implications
4	Lower Tier II bonds	Long Term	300 (nil raised)	-	NA	NA	Withdrawn	BWR AA-/Negative	BWR AA-/Credit Watch with Positive Implications
<b>Total</b>				<b>1000</b>	<b>Rupees One Thousand Crores Only</b>				

\*\* Rating is withdrawn on account of redemption of instrument



\*\* Rating is withdrawn on account of transfer of instruments from OBC to PNB

## COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Banks & Financial Institutions](#)
- [Basel III Compliant Instruments](#)

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**Oriental Bank of Commerce**

**ANNEXURE I**

**DETAILS OF INSTRUMENTS**

Instrument	Issue Date	Amount Raised	Coupon Rate	Maturity Date	ISIN Particulars
		(Rs in Crs)			
Innovative Perpetual Debt instruments	17-Dec-09	500 (raised Rs 300 Cr)	9.10%	Perpetual	INE141A09108
Innovative Perpetual Debt instruments	17-Sep-10	300	9.05%	Perpetual	INE141A09116
Upper Tier II Bond	20-Sep-10	200	8.68%	20-Sep-25	INE141A09124

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**About Brickwork Ratings :** Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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