DISCLOSURES UNDER PILLAR-3-MARKET DISCIPLINE OF BASEL-III-CAPITAL REGULATIONS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2016

1. Scope of Application and Capital Adequacy

Table DF-1
Scope of Application

Name of the head of the banking group to which the framework applies: - SUMITOMO MITSUI BANKING CORPORATION, NEW DELHI BRANCH

Sumitomo Mitsui Banking Corporation (SMBC) was established in the year 2001 following the merger of two of Japan's leading banks namely Sakura and Sumitomo. SMBC is headquartered in Tokyo-Japan. SMBC is the banking arm of Sumitomo Mitsui Financial Group. SMFG and its group companies offer a broad range of financial services such as banking, leasing, securities, credit card, investment, mortgage securitization, venture capital and other credit related businesses.

In India, SMBC received Banking License from RBI on May 18, 2012 and established its Branch in New Delhi. The commercial operations of the bank started during the financial year 2012-2013. The information provided in the disclosures is consolidated for the Bank's operations in India through the only branch located in New Delhi.

Qualitative Disclosures:

a. List of group entities considered for consolidation

Name of entity/ Country of incorporation	Whether the entity is included under accounting scope of consolidation (yes/no)	Explain the method of consolidation	Whether the entity is included under regulatory scope of consolidation (yes/no)	Explain the method of consolidation	Explain the reasons for difference in the method of consolidation	Explain the reasons if consolidated under only one of the scopes of consolidation
The bank is a single branch operating in India. Hence, there is no consolidation requirement applicable to bank for accounting and regulatory purposes.						

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

Not Applicable

Quantitative Disclosures:

c. List of group entities considered for consolidation

Not Applicable

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

Not Applicable

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

NIL

f. Any restrictions or impediments on transfer of funds or regulatory capital within the banking group:

NIL

Table DF-2
Capital Adequacy:

Qualitative disclosures

a. Bank's approach to assessing the adequacy of its capital to support current and future activities:

The Bank maintains a strong base of capital to comply with the local regulatory requirements and also to adequately support it current and future activities.

The Internal Capital Adequacy Assessment Process conducted and documented through ICAAP, details the business plans of the bank and assessment of requirement/adequacy of capital for future years, under the normal and stressed conditions.

Quantitative Disclosures:

Capital requirement for credit, market and operational risk and Common Equity Tier I capital ratio as on 30th September 2016 is detailed as below: -

(Rs. in millions)

	Particulars	Amount
b	Capital requirement for credit risk	**6,018.06**
	- Portfolios subject to standardised approach	6,002.47
	- Securitisation exposures	15.59
c	Capital requirement for market risk	**462.13**
	Standardised duration approach	
	-Interest rate risk	391.25
	-Foreign exchange risk	70.88
	-Equity risk	0.00
d	Capital requirement for operational risk	
	-Basic indicator approach	**421.61**
e	Common Equity Tier-I, Tier-II and Total capital ratios: -For the top consolidated group	CET- Tier 1 Capital Ratio 47.51% Total Capital Ratio- 48.01%
	-For significant bank subsidiaries (stand alone or sub-consolidated depending on how the Framework is applied)	The bank is operating as a single branch in India

2. Risk Exposure and Assessment

General qualitative disclosure on risk area, risk management objectives, policies and processes etc.

The Bank has identified the following risks as material to its nature of operations:

- Credit Risk (including credit concentration risk)
- Market Risk
- Operational Risk
- Liquidity Risk
- Interest Rate Risk in the Banking Book

Risk Management framework

Overview

The Bank's risk management framework is embedded in the business through the different levels supported by an appropriate level of investment in information technology and its people.

Credit Risk

Credit risk refers to risk of any losses the Bank may incur due to reduction or loss of the value of assets (including off balance-sheet assets) arising from any credit events such as deterioration of borrowers' financial standing. The purpose of credit-risk management is to maintain the soundness of the Bank's assets by controlling credit risk at acceptable levels relative to the amount of Capital so as to avoid the emergence of such risk and to contribute to the interests of stakeholders by realizing the establishment of a credit portfolio with high capital and asset efficiency by securing appropriate levels of profits corresponding to risk.
The SMBC Head Office formulates policies, rules and procedures for the SMBC group worldwide. The Branch has put in place credit policy for local operations in line with the SMBC guidelines as well as the RBI circulars, guidelines, notifications and directives. The credit policy stipulates guidelines for adherence to prudential limits as well as outlines the RBI directives in the form of master circulars. The credit policy for local operations is reviewed periodically to accommodate RBI directions. The Bank's has independent committee for evaluation of credit proposals. The Bank has also laid an elaborate stress test policy for credit risk and subject the portfolio periodically to the shocks as prescribed. The Bank has a comprehensive credit risk framework to manage Credit Risk, in a uniform and consistent manner.

The portfolio is monitored in terms of growth, quality and concentration on regular basis. The credit portfolio is also subjected to stress test by way of sensitivity (single and multiple factor) and scenario analysis on regular basis. The Bank has also established an Early Warning Framework for identification of any incipient sickness in the borrowal account at an early stage. The information sharing is undertaken with other banks on regular basis. The Bank is extensively using Central Repository of Information on Large Credits (CRILC) platform while undertaking credit assessment and monitoring.

Market risk is the risk whereby movements in market factors such as foreign exchange rates, interest rates and equity prices reduce our income or the market value of our portfolios. Exposure to market risk is mainly classified into structural banking books. SMBC New Delhi Branch Policies on Market risk and Liquidity Risk have been put in place to cater to HO Guidelines and Local Regulatory guidelines.

Market Risk on the portfolio is assessed and managed through measures such as price value of one basis point, value-at-risk, stop loss and net overnight open position limits. The risk associated with our banking book is also measured through metrics such as duration of equity, earnings at risk and liquidity gap limits. The limits are stipulated in our Investment Policy, Asset Liability Management Policy and Derivatives Policy which are reviewed and approved by local Management Committee (MC).

The Asset Liability Management Committee (ALM Committee) comprises senior management and senior executives. ALM meets periodically and reviews the Bank's business profile and its impact on asset liability management and determines the asset liability management strategy in light of the current and expected business environment. ALM reviews the overall portfolio position and the interest rate and liquidity gap positions on the banking book. ALM also sets deposit and benchmark lending rates. The Market Risk Management Team in consultation with TRD recommends changes in risk policies and controls and the processes and methodologies for quantifying and assessing market risks. Risk limits including position limits and stop loss limits are monitored by the TRD and MRM and reviewed periodically. Foreign exchange risk is monitored through the net overnight open position limit. Interest rate risk is measured through the use of re-pricing gap analysis and duration analysis. Interest rate risk is further monitored through interest rate risk limits approved by ALM.

The Bank uses various tools for measurement of liquidity risk including the statement of structural liquidity, dynamic liquidity gap statements, liquidity ratios and stress testing. Our Bank maintains diverse sources of liquidity to facilitate flexibility in meeting funding requirements.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. Operational risk includes legal risk but excludes strategic and reputational risks. Operational risk is inherent in the Bank's business activities in both domestic as well as overseas operations and covers a wide spectrum of issues. Operational risk can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee clerical errors.

Operational risk in the Branch is managed through comprehensive HO rules and SMBC New Delhi branch procedures of internal controls, systems and procedures to monitor transactions, key backup procedures and undertaking regular contingency planning. The control framework is designed based on categorization of functions into front-office comprising business groups, middle office comprising credit and treasury middle offices, back-office comprising operations, Finance and Accounting Department (FAD), General Affairs Section (GAS) function.

The Bank's operational risk management governance and framework is defined in the Risk Management Charter approved by Planning Department-Asia Pacific Division (PDAPD) and local management committee. The Policy is applicable across all the functions in the branch ensuring a clear accountability and responsibility for management and mitigation of operational risk, developing a common understanding of operational risk and helping the business and operation groups to improve internal controls, thereby reducing the probability of an Operational Risk event.

The Risk Management Committee (RMC) at the Bank, represented by Senior Management of the Bank along with members of the credit risk, treasury, operations, information technology and other critical departments; meets regularly to examine and evaluate the risk profile of the Bank. The coverage includes all the material risks envisaged by the bank both Pillar I as well as Pillar II Risks as per RBI / Basel Guidelines. The RMC adopts pro-active approach towards mitigating the risk in order to ensure smooth banking operations.

Table DF-3
Credit risk: General disclosures for all banks

Qualitative Disclosures

a. Credit quality of Loans and Advances

Even though the Bank is following Standardisation Approach, yet the Bank has an established internal credit rating system that facilitates decision making by taking into account quantitative and qualitative aspects of the proposal for credit facilities. The credit rating system analyses the inherent risk relating to facility as well as the borrower and assigns a rating that is indicative risk profiling of the proposal.

The monitoring of the portfolio is undertaken at regular interval and analysis is presented to Management Committee and Risk Management Committee. The portfolio analysis is undertaken to estimate credit concentration, asset growth, geographical spread as well as adherence to prudential norms like Sectoral limits, Single borrower, Group borrower limits etc.

All loans and advances in the Bank are classified according to asset quality, nature and number of days in arrears in accordance with RBI guidelines

Non-Performing Assets (NPA)

Bank has adopted the definitions of 'past due' and 'impaired' (for accounting purposes) as defined by the regulatory authority for Income Recognition and Asset Classification. An account becomes NPA if it remains overdue for a period as defined by the Reserve Bank of India. An impaired asset is an asset which has suffered a provision in accordance with the guidelines defined by the Reserve Bank of India on its becoming a NPA.

Quantitative Disclosures

b. **Total Gross credit risk exposures, Fund based and Non-fund based separately**

- Fund Based- INR 70,992.37 Million (Excluding exposure to QCCP)

- Non Fund Based- INR 18,420.79 Million (Excluding exposure to QCCP)

c. Geographical distribution of exposures, Fund based and Non-fund based separately

(Rs. in millions)

Particulars	Sep-16		
	Domestic	**Overseas**	**Total**
Fund Based	70,992.37	NIL	70,992.37
Non Fund Based	18,420.79	NIL	18,420.79
Total	**89,413.16**	**NIL**	**89,413.16**

d. Industry type distribution of exposures, fund based and non-fund based separately.

(Rs. in millions)

Industry	**Funded Exposure**	**Non-Funded Exposure**
Chemical & Chemical Products	6,925.29	544.50
Rubber, Plastic & their products	170.00	--
Textiles	--	--
Iron & Steel	380.00	151.96
Infrastructure- GAS/LNG	--	--
Engineering- Electronics	1,238.05	582.50
Engineering- Others	1018.00	16.52
Vehicle, Parts & Transport Equipment's	10,359.55	455.08
Infrastructure	--	1469.03
- *Electricity*	--	*1328.33*
- *Telecommunications*	--	*97.55*
- *Gas/LNG*	--	*43.15*
Other Industries	9,757.56	1,204.92
Banking & Financial Institution	31,949.80	13,996.28
Residual Exposures	9,194.12	**--**
- *of which DTA*	126.17	**--**
- *of which others (claim on RBI)*	7,567.53	**--**
TOTAL	**70,992.37**	**18,420.79**

e. Residual Contractual maturity break down of Assets

(Rs. in millions)

MATURITY BUCKETS	**Investment Securities**	**Loans and Advances**	**Foreign Currency Assets**
Next Day	-	9.65	276.43
2 TO 7 Days	-	17,515.42	-
8 TO 14 Days	-	1,983.42	-
15 to 28 days	36.56	4,211.45	532.92
29 days to 3 months	13,561.50	6,583.29	2,164.99
Over 3 months upto 6 months	25,558.46	8,366.89	3,330.75
over 6 months upto 12 months	214.85	4,290.31	-
Over 1 year to 3 years	426.37	4,415.39	-
Over 3 years to 5 years	-	503.62	-
Over 5 years	-	11.00	466.31
Total	**39,797.74**	**47,890.44**	**6,771.40**

f. Amount of NPA (Gross)

NIL

g. Net NPA's

NIL

h. NPA Ratios

Gross NPA to gross advances:	NIL
Net NPA to net advances:	NIL

i. Movement of NPAs (Gross)

Opening Balance:	NIL
Additions:	NIL
Reductions:	NIL
Closing Balance:	NIL

j. Movement of provisions for NPA

Not Applicable

k. Amount of Non-Performing Investments

NIL

l. Amount of provision held for non-performing investments

Not Applicable

m. Movement of provisions for depreciation on investments

Opening Balance:	NIL
Provisions made during the period	NIL
Write-off	NIL
Write-back of excess provisions	NIL
Closing Balance:	NIL

n. Non-Performing Assets by major industry or counterparty type
NIL

o. Amount of NPAs and past due loans provided separately which broken down by significant geographic areas including the amounts of specific and general provisions related to each geographical area.
NIL

Table DF-4

Credit Risk: Disclosures for portfolios subject to the standardised approach:

Qualitative Disclosures:

In line with RBI directive of implementation of the New Capital Adequacy Framework, the Bank accepts the ratings of RBI prescribed following External Credit Rating Agencies (ECRA); under standardisation approach:

Domestic ECRA	**International ECRA**
Credit Analysis and Research Limited (CARE)	Moody's
CRISIL Limited	Standard & Poor's
India Ratings and Research Private Limited (India Ratings) (formerly FITCH India)	Fitch
ICRA Limited	
Brickwork Ratings India Private Limited	
SME Rating Agency of India Limited (SMERA Ratings Limited	

The risk weights are mapped to the ratings assigned. The facilities for which the rating from ECRA is not available are treated as unrated and corresponding risk weight is assigned depending upon the tenor of the facility.

Quantitative Disclosures:

The exposure (excluding exposure to QCCP) as on September 30, 2016 under each credit risk category is as follows:

(Rs. in millions)

Risk Bucket	**Amount**
Below 100% Risk Weight	39,885.21
100% risk weight	26,053.85
More than 100% risk weight	23,474.10
Deducted	--
Total	**89,413.16**

Table DF-5
Credit Risk Mitigation: Disclosures for standardised approaches

Qualitative Disclosures:

The bank has in place well-structured credit risk mitigation structure which elaborates on the risk appetite and risk mitigation of the Bank. It is the policy of the bank to request for collaterals for corporate credits, unless the business case warrants unsecured lending. Collaterals stipulated are usually mortgages, charge over business stock and debtors, financial instruments. However, collateral is important to mitigate risk. The bank has adopted norms of valuation of collateral as stipulated in the prudential guidelines of RBI. Credit facilities which are backed by corporate guarantee of the parent, takes into account shareholding of the parent in the borrower and the credit worthiness of the guarantor.

Quantitative Disclosures:

The Bank has considered cash collateral of INR 706.68 million in form of fixed deposit as eligible financial collateral for netting of an off balance sheet exposure of INR 108.73 million with applicable haircut of 0.00%.

Total exposure (after, wherever applicable, on-or off-balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI) for each separately disclosed portfolio- **NIL**

Table DF-6
Securitisation: Disclosure for standardised approach

Qualitative and Quantitative disclosures:

During the year 2015-16, the bank had purchased Pass Through Certificate (PTC) amount to INR 1176.44 million to meet Priority Sector Lending targets, in line with the regulatory requirements. The risks pertaining to credit, legal, counterparty etc. has been analysed before purchasing PTC.
As an investor, the Bank chooses the originator based on internal due diligence and with specification on parameters (like tenor, loan to value, seasoning etc.) of the underlying loans in the pool. The regulatory requirement of minimum seasoning (Minimum Holding Period), minimum retention requirement (MRR) is adhered to. The underlying pool is rated both on local and international scale by external rating agencies. An SPV/Trust (which is bankruptcy remote) is created by the seller/originator and an independent trust is appointed as a trustee. The said pool is then assigned by the originator to the SPV/Trust. SPV/Trust issues an Information Memorandum (IM) outlining all the aspects of the transaction to the investor (SMBC) for private placement. Basis the information memorandum, a consideration is paid by the investor to the SPV for which SPV, basis the issuer price per PTC, issues the PTCs (tradable instrument) to the investors (SMBC and originator). The PTCs are thereafter transferred from Demat account of the SPV Trust to the Demat account of the investors.
The future receivables which are collected by the servicing agent, at defined frequency, are deposited in collection and payment account (CPA) of the SPV for onward remittance to various stakeholders in line with the MRR requirements and waterfall mechanism as detailed in the transaction documents.

The valuation of PTC's is being carried out on the basis of RBI/FIMMDA valuation guidelines.

From the monitoring perspective, the pool performance is analysed on monthly basis on parameters like collections, collection efficiency, pay-out details, prepayment and foreclosures etc. The portfolio is also subjected to credit stress test to access the impact on capital adequacy.

Table DF-7
Market risks in the trading book

Qualitative disclosures

Market Risk

It is the risk of losses arising from changes in market rates or prices that can affect the value of financial instruments. In the Bank, majority of Market Risk is arising from operations related to treasury. Market Risk is tracked and measured on a dynamic basis by a dedicated Market Risk department, which alerts management in to taking appropriate action.

Market Risk Organization Structure at the Bank

Bank's Risk Management is controlled by Risk Management Committee in New Delhi. The Risk Management Committee determines risk tolerance and appetite for market risk. It also monitors and reviews significant risks and effectiveness of processes and sets out management responsibilities. Risk Management Committee formulates and implements the market risk policies and operational plans and recommends changes to policies, processes and parameters for approval.

Market Risk Limit Structure at the Bank

Market Risk limits represents strategic restrictions, reflecting the risk tolerance of the Bank, the nature of the trading activities and the perceived trading and management skills. The limit setting is to prevent the accumulation of Market Risk beyond the Bank's risk tolerance level, as determined by the Bank’s top management, and to reflect mandates of individual trading units.

The Bank calculates the risk charge on market risk on the basis of standardized approach as prescribed by RBI. The portfolio contains foreign exchange and interest rate risk only. The interest rate general risk is computed on the basis of duration based approach.

Market Risk Management

The Bank’s Market Risk Framework comprises market risk policies, market risk limit and risk methodologies. The market risk policies are reviewed at least once a year to align with regulatory guidelines and international best practices.

Quantitative disclosures

The capital requirements for market risk are as follows:

(Rs. in millions)

Components of Market Risk	**September-2016**
Interest Rate Risk	391.25
Equity position risk	70.88
Foreign Exchange risk	0.00
Total	**462.13**

Table DF-8
Operational Risk:

Qualitative disclosures: The approaches for operational risk capital assessment

The Bank's Operational Risk Management framework includes the identification, assessment, measurement and monitoring & oversight of operational risks within the Bank. Operations of SMBC New Delhi Branch currently follow Head Office policies for Operational Risk Management.

The Bank has a commitment to meeting high ethical and Operational Risk Management standards in the way it conducts its business. The governing principles and fundamental components of the Bank's operational risk management approach include accountability in the individual business lines for management and control of the significant operational risks to which they are exposed.

SMBC New Delhi Branch using an effective organization structure ensures the following to manage the operational risk by:

a. Separation of duties between key functions.
b. Periodic operational risk self-assessment tools such as KRIs, RCSA and RCA.
c. Comprehensive assessment of all new products and processes.
d. Risk mitigation programs, which use insurance policies to transfer the risk of high severity losses e.g. cash, where feasible and appropriate
e. Business Continuity Plan Business Disruption of key business services for an extended period of time can affect the Bank's image/downfall, unless appropriate emergency response and business resumption strategies are maintained.

   As permitted by RBI, the Bank presently follows the Basic Indicator Approach for assessing the capital requirement related to capital charge for Operational Risk.

Table DF-9

Interest rate risk in the banking book (IRRBB)

Qualitative Disclosures

Interest Rate Risk in the Banking Book

Interest Rate risk in Banking Book (IRRBB) refers to the risk of loss in earnings or economic value of the Bank's Banking Book as a consequence of movement in interest rates. Interest rate risk arises from holding assets/liabilities and Off-Balance Sheet [OBS] items with different principal amount, maturity dates or re-pricing dates thereby creating exposure to changes in levels of interest rates.

IRRBB Organization Structure

Asset Liability Management Committee (ALM Committee) ensures compliance with regulatory and internal policies related to IRRBB and provides strategic direction, for achieving IRRBB management objectives. The Assets and Liabilities Management Committee of SMBC New Delhi Branch has been established to provide the framework to strategically manage the bank's assets and liabilities while adhering to the risk management objectives established by the Management committee. The ALM is responsible for formulating the branch's asset and liability strategy including the pricing of advances and deposits, balance sheet planning, funding decisions, spread management and also for managing Market and Liquidity risk.

The ALM meeting is convened on a monthly basis to review risks, market condition and its impact on balance sheet.

Quantitative Disclosures

Interest rate risk in banking book is primarily the change in the net interest income and the value of the bank's assets and liabilities, due to changes in interest rate. This is assessed from the following perspectives:

i. Earnings perspective (Earnings-at-risk) approach

From an Earnings perspective, the Interest rate sensitivity gap reports indicate whether the Bank is in a position to benefit/lose from rise/fall in interest rates due to repricing of assets and liabilities under various interest rate movement scenarios; the impact which may be observed on the Net Interest Income of the bank.

As of March 31, 2016, the impact of an incremental 100 basis points parallel fall or rise in the yield curve at the beginning of the year on Net Interest Income for the next 12 months amounts to Rs. (+/-) 12.40 crores. However, this is well within the EaR limit set for the bank.

ii. Economic Value perspective (i.e. Market Value of Equity-MVE approach)

From an Economic Value perspective, the Duration Gap report indicates the impact of movement in interest rate on the value of banks assets and liabilities and thus impacting the value of equity of the Bank.

As of March 31, 2016, the fall in the value of equity for 200 bps interest rate shock (parallel increase) is -0.411% of our capital fund. This is lower than the internal threshold limit set for the bank and also much lower than the threshold of 20% prescribed by RBI.

Table DF-10

General Disclosure for Exposures Related to Counterparty Credit Risk

Qualitative Disclosure

a. The capital allocation for counterparty credit risk is based on regulatory guidelines. The bank follows Standardized Approach for assigning capital to its counterparty credit exposure
b. The counterparty credit exposure limits are assigned based on the credit worthiness of counterparty vis-à-vis risk appetite of the bank after taking into consideration qualitative and quantitative factors of the party. The parameters considered, among other factors include the financial strength, net worth, industry of operation, liquidity position etc.
c. With regard to wrong way risk exposure, be it specific or general, the bank has the policy to monitor and take proactive corrective measures to address issues related to such exposure and simultaneously make internal provisions (normally higher than the regulatory requirement) in order to face worse situation.

Quantitative Disclosure

(Rs. in millions)

Items	Notional Principal Amount	Credit Equivalent
FCY-FCY Cross Currency Swaps	16,410.45	3,325.75
FCY-INR Currency Swaps	75,787.98	10,080.63
Options	1,798.61	51.68
Interest Rate Swaps	28,111.53	524.70
Foreign Exchange Contracts*	31,718.16	1,504.29

*Excluding exposure to QCCP

Table DF-11
Composition of Capital

Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)		Eligible Amount	Amount 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)	34,889.83		
2	Retained Earnings	1,847.55		
3	Accumulated other comprehensive income (and other reserves)	670.23		
6	**Common Equity Tier 1 capital before regulatory adjustments**	**37,407.61**		
Common Equity Tier 1 capital: regulatory adjustments				
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	-		
10	Deferred tax assets	-		
26d	National specific regulatory adjustments-Net Overseas Placement with Head Office/Branches	973.87		
28	**Total regulatory adjustments to common equity Tier 1**	**973.87**		
29	**Common Equity Tier 1 capital (CET1)**	**36,433.74**		
Additional Tier 1 capital: instruments				
36	Additional Tier 1 capital before regulatory adjustments	-		
Additional Tier 1 capital: regulatory adjustments				
43	**Total regulatory adjustments to Additional Tier 1 capital**	**-**		
44	**Additional Tier 1 capital (AT1)**	**-**		
44a	**Additional Tier 1 capital reckoned for capital adequacy**	**-**		
45	**Tier 1 capital (T1= CET1+AT1)**	**36,433.74**		
Tier 2 capital: instruments & provisions				
50	Provisions	384.16		
51	**Tier 2 capital before regulatory adjustments**	**384.16**		
Tier 2 capital: regulatory adjustments				
57	**Total regulatory adjustments to Additional Tier 2 capital**	**-**		
58	**Tier 2 capital (T2)**	**384.16**		
58a	**Tier 2 capital reckoned for capital adequacy**	**384.16**		

58b	**Excess additional Tier 1 capital reckoned as Tier 2 capital**	**-**		
58c	**Total Tier 2 capital admissible for capital adequacy**	**384.16**		
59	**Total Capital (TC=T1+T2)**	**36,817.90**		
60	**Total risk weighted assets**	**76,686.64**		
60a	*of which: total credit risk weighted assets*	*66,867.38*		
60b	*of which: total market risk weighted assets*	*5,134.75*		
60c	*of which: total operational risk weighted assets*	*4,684.51*		
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	47.51%		
62	Tier 1 (as a percentage of risk weighted assets)	47.51%		
63	Total Capital (as a percentage of risk weighted assets)	48.01%		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	-		
65	*of which: capital conservation buffer requirement*	-		
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)	-		
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)				
Not Applicable				
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)	384.16		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	835.84		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	Not Applicable		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	Not Applicable		

Notes to the Template

Row No. of the template	Particulars	(Rs in million)
10	Deferred tax assets associated with accumulated losses	-
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability*	126.17
	Total as indicated in row 10	**-**
50	Eligible Provisions included in Tier 2 capital	384.16
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	**384.16**

*as per revised guidelines, the DTA other than those associated with accumulated losses, has been retained as part of Common Equity Tier-I capital and has been risk weighted separately.

Table DF-12
Composition of Capital- Reconciliation Requirements

Step- 1 *(Rs in million)*

Sr. No.		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 30th September 2016	As on 30th September 2016
A	Capital & Liabilities		
i	Paid-up Capital	34,889.83	
	Reserves & Surplus	3,216.74	
	Minority Interest	-	
	Total Capital	**38,106.57**	
ii	Deposits	**63,543.91**	
	of which: Deposits from banks	60.79	
	of which: Customer deposits	63,483.12	
	of which: Other deposits (pl. specify)	-	
iii	Borrowings	**8,028.66**	
	of which: From RBI	-	
	of which: From banks	8,028.66	
	of which: From other institutions & agencies	-	
	of which: Others (pl. specify)	-	
	of which: Capital instruments	-	
iv	Other liabilities & provisions	**4,639.00**	
	Total Liabilities	**114,318.14**	
B	Assets		
i	Cash and balances with Reserve Bank of India	3,067.14	
	Balance with banks and money at call and short notice	18,220.78	
ii	Investments:	**39,797.74**	
	of which: Government securities	20,476.54	
	of which: Other approved securities	-	
	of which: Shares	-	
	of which: Debentures & Bonds	-	
	of which: Subsidiaries / Joint Ventures / Associates	-	
	of which: Others (Commercial Papers, Mutual Funds etc.)	19,321.20	
iii	Loans and advances	**47,890.45**	
	of which: Loans and advances to banks	-	
	of which: Loans and advances to customers	47,890.45	

iv	Fixed assets	181.17	
v	Other assets	**5,160.86**	
	of which: Goodwill and intangible assets	-	
	of which: Deferred tax assets	126.17	
vi	Goodwill on consolidation	-	
vii	Debit balance in Profit & Loss account	-	
	Total Assets	**114,318.14**	

Step-2

(Rs in millions)

Sr. No.	Particulars	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Ref no.
		As on 30th September 2016	**As on 30th September 2016**	
A	Capital & Liabilities			
I	Paid-up Capital	**34,889.83**		
	Of which amount eligible for CET-I	34,889.83		A
	Of which amount eligible for AT-I	-		
	Reserves & Surplus	**3,216.74**		
	Of which Statutory Reserve	670.23		B
	Of which Investment Reserve A/c	-		
	Of which balance in profit & Loss A/c	2,546.51		c
	Minority Interest	-		
	Total Capital	**38,106.57**		
ii	Deposits	63,543.91		
	of which: Deposits from banks	60.79		
	of which: Customer deposits	63,483.12		
	of which: Other deposits (pl. specify)	-		
iii	Borrowings	**8,028.66**		
	of which: From RBI	-		
	of which: From banks	8,028.66		
	of which: From other institutions & agencies	-		
	of which: Others (pl. specify)	-		
	of which: Capital instruments	-		
iv	Other liabilities & provisions	**4,639.00**		
	of which: DTLs related to	-		

	goodwill			
	of which: DTLs related to intangible assets	-		
	Total Liabilities	**114,318.14**		
B				
i	Cash and balances with Reserve Bank of India	3,067.14		
	Balance with banks and money at call and short notice	18,220.78		
ii	Investments	**39,797.74**		
	of which: Government securities	20,476.54		
	of which: Other approved securities	-		
	of which: Shares	-		
	of which: Debentures & Bonds	-		
	of which: Subsidiaries / Joint Ventures / Associates	-		
	of which: Others (SIDBI, NABARD, NHB)	19,321.20		
iii	Loans and advances	**47,890.45**		
	of which: Loans and advances to banks	-		
	of which: Loans and advances to customers	47,890.45		
iv	Fixed assets	181.17		
v	Other assets	**5,160.86**		
	Out of which:			
	Goodwill	-		
	Other intangibles (excluding MSRs)	-		
	Deferred tax assets	126.17		
vi	Goodwill on consolidation	-		
vii	Debit balance in Profit & Loss account	-		
	Total Assets	**114,318.14**		

STEP-3

Extract of Basel III common disclosure template (with added column) – Table DF-11 (Part II)

(Rs in millions)

Common Equity Tier-I capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	34,889.83	a
2	Retained earnings	1,847.55	b
3	Accumulated other comprehensive income (and other reserves)	670.23	c
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	
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	-	
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	

Table DF-13
Main features of regulatory capital instruments

The Bank has not issued any Regulatory Capital Instruments forming part of Capital Funds. The Capital Funds of the bank mainly consist of Interest Free Funds received from Head Office, Reserves & Surplus and General Provisions on Standard Assets.

Table DF-14
Full Terms & Conditions of Regulatory Capital Instruments

The Bank has not issued any Regulatory Capital Instruments forming part of Capital Funds. The Capital Funds of the bank mainly consist of Interest Free Funds received from Head Office, Reserves & Surplus and General Provisions on Standard Assets.

Table DF-15
Disclosure Requirements for Remuneration

In accordance with the requirements of the RBI circular DBOD No BC. 72/29.67.001/2011-12 dated 13 January 2012; the Bank has obtained a letter from its head office which states that the compensation policies in India including that for the CEO are in line with the FSB requirements.

Table DF-16
Equities – Disclosure for Banking Book Positions

The qualitative and quantitative disclosures: - Nil as, on the reference date, the bank does not have any equity investments.