

**Basel III – Pillar 3 disclosures for the year ended 31<sup>st</sup> March 2014**

**1. Scope of Application and Capital Adequacy**

**Table DF-1**

**Scope of Application**

**Sumitomo Mitsui Banking Corporation, New Delhi Branch**

Sumitomo Mitsui Banking Corporation (SMBC) was established in 2001 following the merger of two of Japan’s leading banks namely Sakura and Sumitomo. SMBC is Head quartered in Tokyo-Japan. SMBC is the banking arm of Sumitomo Mitsui Financial Group. SMBC and its group companies offer a broad range of financial services centered on banking. They are also engaged in the leasing, securities, credit card, investment, mortgage securitization, venture capital and other credit related businesses. SMBC in India has received Banking License from RBI and have established its 1<sup>st</sup> Branch in New Delhi and started with commercial operations in the financial year 2012-2013. The information provided in this statement is consolidated for the Bank’s operations in India through only branch in New Delhi.

**Qualitative Disclosures:**

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
Sumitomo Mitsui Banking Corporation /Tokyo	No	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

**a. List of group entities considered for consolidation**

The bank is operating through its single branch 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:**

NIL



**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:**

Not Applicable



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's maintains a strong capital to have confidence of depositors and market and to sustain future business developments.

The bank will be implementing the Basel III as directed by the Reserve Bank of India and currently follows Standardised approach for credit and market risk and Basic Indicator approach for operational risk.

**Quantitative Disclosures:**

Capital requirement for credit, market and operational risk and Tier I capital ratio as on March 31, 2014 is detailed as below: -

		<i>(Rs. in millions)</i>
		<b>31-Mar-14</b>
		<b>AMOUNT</b>
<b>b</b>	<b>PARTICULARS</b>	
	Capital requirement for credit risk	
	- Portfolios subject to standardised approach	1,154.36
	- Securitisation exposures	0.0
<b>c</b>	Capital requirement for market risk	72.64
	Standardised duration approach	
	-Interest rate risk	0.64
	-Foreign exchange risk	72.00
	-Equity risk	0.00
<b>d</b>	Capital requirement for operational risk	
	-Basic indicator approach	0.00
<b>e</b>	Common Equity Tier 1, Tier 1 and Total capital ratios:	
	-For the top consolidated group	79.85%
	-For significant bank subsidiaries (stand alone or sub-consolidated depending on how the Framework is applied)	79.85%
		80.12%

**2. Risk Exposure and Assessment**

**General qualitative disclosure on risk area, risk management objective policies and processes etc:**

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

- ▶ Credit 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.

- ▶ To maintain independence and integrity of credit decision-making, credit approval function is segregated from loan origination.
- ▶ To adhere to the RBI prudential requirements with respect to lending norms and ensure correcting any breaches to such prudential guidelines.
- ▶ To maintain a diversified portfolio of assets and avoid undue concentration in exposure to a particular industry.
- ▶ All credit proposals are analysed on qualitative and quantitative parameters to facilitate objective decision making relating to credit worthiness of the borrower.
- ▶ As a matter of policy, all credit facilities are reviewed / renewed annually. An account would be classified as NPA based on RBI guidelines.

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 Risk Management Committee (RMC) at the Bank, represented by 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 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 analyse 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 on continuous as well as periodic basis. The portfolio analysis is undertaken to estimate credit concentration, asset growth as well as adherence to prudential norms.

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. For accounting purposes definition of RBI for past due and impaired assets are adopted. Standard accounts include all facilities which demonstrate good financial condition, minimum risk factors and capacity to repay in line with the original terms of sanction.

**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 8,557.71 Million (Excluding Inter-bank exposure & other assets)
- Non Fund Based- INR 3,474.16 Million

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

(Rs. in millions)

	Mar-14	Mar-14	Mar-14
Particulars	Domestic	Overseas	Total
Fund Based	8,557.71	NIL	8,557.71
Non Fund Based	3,474.16	NIL	3,474.16
<b>Total</b>	<b>1,2031.87</b>	<b>NIL</b>	<b>12,031.87</b>



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- Fertilizers	244.00	5.62
Chemical & Chemical Products- Others	--	--
Rubber, Plastic & their products	220.00	--
Iron & Steel	1,029.61	62.17
Other Metal & Metal products	49.10	--
Engineering- Electronics	2,495.00	2.68
Engineering- Others	--	158.72
Vehicle, Parts & Transport Equipment's	2,690.00	526.94
Energy- Oil	--	63.52
Other Industries (includes NBFC's)	1,830.00	946.64
Banking Industry (Derivatives & Forwards)	--	1,707.87
<b>TOTAL</b>	<b>8,557.71</b>	<b>3,474.16</b>

e. Residual Contractual maturity break down of Assets

(Rs. in millions)

MATURITY BUCKETS	Cash balances with RBI and other Banks	Investment Securities	Loans and Advances	Other Assets including fixed assets
Next Day	651.45	0.00	0.00	38.03
2 TO 7 Days	0.00	1,199.44	2,169.10	0.00
8 TO 14 Days	0.00	997.91	0.00	0.00
15 to 28 days	500.00	497.30	600.00	6.18
29 days to 3 months	2,980.00	0.00	1,975.00	27.73
Over 3 months upto 6 months	0.00	0.00	2,689.61	50.39
over 6 months upto 12 months	0.00	0.00	0.00	184.07
Over 1 year to 3 years	0.00	0.00	1,116.00	0.00
Over 3 years to 5 years	0.00	0.00	8.00	457.37
Over 5 years	187.47	0.00	0.00	429.51
<b>Total</b>	<b>4,318.92</b>	<b>2,694.65</b>	<b>8,557.71</b>	<b>1,193.28</b>

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**

NIL

**m. Movement of provisions for depreciation on investments**

Not Applicable



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
<ul style="list-style-type: none"> <li>Credit Analysis and Research Limited (CARE)</li> </ul>	<ul style="list-style-type: none"> <li>Moody's</li> </ul>
<ul style="list-style-type: none"> <li>CRISIL Limited</li> </ul>	<ul style="list-style-type: none"> <li>Standard &amp; Poor's</li> </ul>
<ul style="list-style-type: none"> <li>India Ratings and Research Private Limited (India Ratings) (formerly FITCH India)</li> </ul>	<ul style="list-style-type: none"> <li>Fitch</li> </ul>
<ul style="list-style-type: none"> <li>ICRA Limited</li> </ul>	
<ul style="list-style-type: none"> <li>Brickwork Ratings India Private Limited</li> </ul>	
<ul style="list-style-type: none"> <li>SMERA Ratings Limited</li> </ul>	

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 under each credit risk category is as follows:

*(Rs. in millions)*

Particulars	Mar-14
Risk Bucket	Amount
Below 100% Risk Weight	8,578.44
100% risk weight	11,591.89
More than 100% risk weight	0.00
<b>Total</b>	<b>20,170.33</b>





Table DF-5

Credit Risk Mitigation: Disclosures for standardised approaches

**Qualitative Disclosures:**

The bank has in place well-structured credit risk mitigation policy 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 not considered any eligible financial collateral for on or off balance sheet netting.

The Bank has not considered any disclosed portfolio covered by guarantees/credit derivatives (whenever specifically permitted by RBI) for on or off balance sheet netting.

Table DF-6

Securitisation: Disclosure for standardised approach

**Qualitative and Quantities disclosures:**

Not applicable as Bank has not entered into any securitisation activity



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 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)

Type of Risk	Mar-14
Interest Rate Risk	0.64
Equity position risk	0.00
Foreign Exchange risk	72.00
<b>Total</b>	<b>72.64</b>



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.

An effective organization structure through which operational risk is managed including:

- ▶ Separation of duties between key functions.
- ▶ Risk mitigation programs, which use insurance policies to transfer the risk of high severity losses e.g. cash, where feasible and appropriate
- ▶ 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 31st March 2014, the impact of an incremental 200 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. (+/-) 2.99 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 31st March 2014, the fall in the value of equity for 200 bps interest rate shock (parallel increase) is Rs. 2.63 crores, which is 0.242% of our capital and much lower than the threshold of 20% prescribed by RBI.



Table DF-10

General Disclosure for Exposures related to Counterparty Credit Risk

**Qualitative Disclosure**

- ▶ 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
- ▶ 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.
- ▶ 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**

<i>(Rs. in millions)</i>		
Items	Notional Principal Amount	Credit Equivalent
Cross Currency Swaps	20,658.19	2,757.16
Forward Contracts	13,177.52	392.44



Sumitomo Mitsui Banking Corporation, New Delhi Branch  
Year ended 31 March 2014

Table DF-11

Composition of Capital

(Rs. in millions)

Sr. No.	Particulars	Amount subject to Pre-BaseI III treatment
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	10,833.83
2	Retained Earnings	56.94
3	Accumulated other comprehensive income (and other reserves)	-
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>10,890.77</b>
<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
10	Deferred tax assets	4.08
28	Total regulatory adjustments to common equity Tier 1	4.08
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>10,886.69</b>
<b>Additional Tier 1 capital: instruments</b>		
36	Additional Tier 1 capital before regulatory adjustments	-
<b>Additional Tier 1 capital: regulatory adjustments</b>		
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	<b>Tier 1 capital (T1= CET1+AT1)</b>	<b>10,886.69</b>
<b>Tier 2 capital: instruments &amp; provisions</b>		
50	Provisions	36.18
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>36.18</b>
<b>Tier 2 capital: regulatory adjustments</b>		
57	Total regulatory adjustments to Additional Tier 2 capital	-
58	<b>Tier 2 capital (T2)</b>	<b>36.18</b>
58a	Tier 2 capital reckoned for capital adequacy	36.18
58b	Excess additional Tier 1 capital reckoned as Tier 2 capital	-
58c	Total Tier 2 capital admissible for capital adequacy	36.18
59	<b>Total Capital (TC=T1+T2)</b>	<b>10,922.87</b>
60	<b>Total risk weighted assets</b>	<b>13,633.40</b>
60a	<i>of which: total credit risk weighted assets</i>	12,826.24
60b	<i>of which: total market risk weighted assets</i>	807.16
60c	<i>of which: total operational risk weighted assets</i>	-
<b>Capital ratios</b>		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	79.85%
62	Tier 1 (as a percentage of risk weighted assets)	79.85%
63	Total Capital (as a percentage of risk weighted assets)	80.12%





**Sumitomo Mitsui Banking Corporation, New Delhi Branch**  
**Year ended 31 March 2014**

64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	
65	<i>of which: capital conservation buffer requirement</i>	
66	<i>of which: bank specific countercyclical buffer requirement</i>	
67	<i>of which: G-SIB buffer requirement</i>	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	
<b>National minima (if different from Basel III)</b>		
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%
<b>Amounts below the thresholds for deduction (before risk weighting)</b>		

Not Applicable

<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	36.18
77	Cap on inclusion of provisions in Tier 2 under standardised approach	170.42
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**

50	Eligible Provisions included in Tier 2 capital	36.18
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	36.18



Table DF-12

Composition of Capital- Reconciliation Requirements

Step- 1

(Rs. in millions)

Sr. No.	Particulars	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 31st March 2014	As on 31st March 2014
A	<b>Capital &amp; Liabilities</b>		
i	Paid-up Capital	10,833.83	<b>Not Applicable</b>
	Reserves & Surplus	64.64	
	Minority Interest	-	
	<b>Total Capital</b>	<b>10,898.47</b>	
ii	Deposits	<b>4,208.89</b>	
	of which: Deposits from banks	7.06	
	of which: Customer deposits	4,201.83	
	of which: Other deposits (pl. specify)	-	
iii	Borrowings	<b>979.61</b>	
	of which: From RBI	-	
	of which: From banks	979.91	
	of which: From other institutions & agencies	-	
	of which: Others (pl. specify)	-	
iv	Other liabilities & provisions	<b>677.59</b>	
	<b>Total Liabilities</b>	<b>16,764.56</b>	<b>-</b>
B	<b>Assets</b>		
i	Cash and balances with Reserve Bank of India	628.54	<b>Not Applicable</b>
	Balance with banks and money at call and short notice	3,690.38	
ii	Investments:	<b>2,694.65</b>	
	of which: Government securities	2,694.65	
	of which: Other approved securities	-	
	of which: Shares	-	
	of which: Debentures & Bonds	-	
	of which: Subsidiaries / Joint Ventures / Associates	-	
of which: Others (SIDBI, NABARD, NHB)	-		
iii	Loans and advances	<b>8,557.71</b>	
	of which: Loans and advances to banks	-	
	of which: Loans and advances to customers	8,557.71	
iv	Fixed assets	210.46	
v	Other assets	<b>982.82</b>	
	of which: Goodwill and intangible assets	-	
	of which: Deferred tax assets	4.08	





Sumitomo Mitsui Banking Corporation, New Delhi Branch  
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vi	Goodwill on consolidation	-	
vii	Debit balance in Profit & Loss account*	-	
	<b>Total Assets</b>	<b>16,764.56</b>	<b>-</b>

Step-2

Sr. No.	Particulars	Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Ref no.
		<b>As on 31st March 2014</b>	<b>As on 31st March 2014</b>	
<b>A</b>	<b>Capital &amp; Liabilities</b>			
I	Paid-up Capital	10,833.83	Not Applicable	
	Of which amount eligible for CET-I	10,833.83		
	Of which amount eligible for AT-I	-		
	Reserves & Surplus	64.64		
	Of which Statutory Reserve	56.94		
	Of which Investment Reserve A/c	-		
	Of which balance in profit & Loss A/c	7.70		
	Minority Interest	-		
	<b>Total Capital</b>	<b>10,898.47</b>		
ii	Deposits	4,208.89		
	of which: Deposits from banks	7.06		
	of which: Customer deposits	4,201.83		
	of which: Other deposits (pl. specify)	-		
iii	Borrowings	979.61		
	of which: From RBI	-		
	of which: From banks	979.91		
	of which: From other institutions & agencies	-		
	of which: Others (pl. specify)	-		
iv	Other liabilities & provisions	677.59		
	of which: DTLs related to goodwill	-		
	of which: DTLs related to intangible assets	-		
	<b>Total Liabilities</b>	<b>16,764.56</b>	<b>-</b>	
<b>B</b>	<b>Assets</b>			
i	Cash and balances with Reserve Bank of India	628.54	Not Applicable	
	Balance with banks and money at call and short notice	3,690.38		
ii	Investments	2,694.65		
	of which: Government securities	2,694.65		
	of which: Other approved securities	-		
	of which: Shares	-		
	of which: Debentures & Bonds	-		
	of which: Subsidiaries / Joint			



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	Ventures / Associates	-		
	of which: Others (SIDBI, NABARD, NHB)	-		
iii	Loans and advances	8,557.71	Not Applicable	
	of which: Loans and advances to banks	-		
	of which: Loans and advances to customers	8,557.71		
iv	Fixed assets	210.46		
v	Other assets	982.82		
	Out of which:			
	Goodwill	-		
	Other intangibles (excluding MSRs)	-		
	Deferred tax assets	4.08		
vi	Goodwill on consolidation	-	Not Applicable	
vii	Debit balance in Profit & Loss account	-		
	<b>Total Assets</b>	<b>16,764.56</b>		<b>-</b>

**STEP-3**

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

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	10,833.83	a
2	Retained earnings	56.94	b
3	Accumulated other comprehensive income (and other reserves)	-	
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 instruments to form part of its Regulatory Capital. The Regulatory Capital of the bank comprises of its own funds in form of Interest Free Funds received from its Head Office and accumulated Reserves and Surplus classified as Tier-1 Capital and General Provisions held for Credit Assets, Investment Reserve Account etc. in form of Tier-1 Capital.

**Table DF-14**

**Full Terms & Conditions of Regulatory Capital Instruments**

Not Applicable

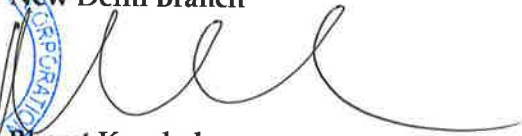
**Table DF-15**

**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.

For and on behalf of  
**Sumitomo Mitsui Banking Corporation**  
**New Delhi Branch**



  
**Bharat Kaushal**  
**Co-General Manager**  
**Chief Executive Officer in India**  
**Place: New Delhi**  
**Date: 23 JUNE 2014**