

1. Scope of Application

The Basel Pillar III disclosures contained herein relate to American Express Banking Corp. – India Branch, herein after referred to as “the Bank” for the period ended March 31, 2024. American Express Banking Corp. (AEBC) is organized under the New York State Banking Law and incorporated in the United States of America. AEBC is a wholly owned subsidiary of American Express Company and conducts business through a branch office in India. In India, AEBC holds a banking license issued by the Reserve Bank of India (RBI) and is subject to the provisions of the Banking Regulation Act. The Bank’s operations are confined to two business areas viz. card operations and acceptance of institutional deposits.

The disclosures have been compiled in accordance with Reserve Bank of India’s Master Circular DBR.No.BP.BC. 1/21.06.201/2015-16 dated July 1, 2015 on Basel III Capital Regulations and the amendments thereto issued from time to time.

The Bank does not have any subsidiaries, nor does it hold any significant stake in any companies. Further, the Bank is not required to prepare consolidated financial statements. No quantitative disclosures are required to be made, as the Bank has no subsidiaries. The Bank also does not have any interest in insurance entities.

2. Capital Adequacy

The primary objective of capital management at the Bank is to maintain a consistently strong and flexible capital position and to ensure that the Bank’s capital is of sufficient quality and quantity to meet at a minimum, all regulatory requirements and maintain adequate capital over and above regulatory minimums to act as a safety net for the variety of risks the Bank is exposed to, in its ordinary course of business.

The Bank has established a comprehensive internal capital adequacy assessment process (“ICAAP”) which enables the Bank to set internal capital targets and strategies for achieving those internal targets that are consistent with its business plans, risk profile, and operating environment. This framework facilitates the assessment of the overall capital adequacy of the Bank in relation to its risk profile which includes all material risks faced by the Bank which are not captured by the regulatory minimums prescribed by the regulator. The framework is aimed at ensuring that the Bank’s capital is adequate to address current and future risk and achieve strategic objectives. Key components of the Bank’s ICAAP include: Board and senior management oversight; sound capital assessment and planning; comprehensive assessment of risks, sensitivity and scenario analysis, monitoring and reporting

The Board of Directors is responsible for ultimate oversight of capital management and as such, oversees the annual review and approval of the Bank’s ICAAP, Internal Capital Targets, Capital Plan and ICAAP and Capital Management Policy.

The Bank has implemented a Board approved Stress Testing Framework which forms an integral part of the Bank's ICAAP. Stress Testing involves the use of various techniques

(such as macroeconomic stress testing and event driven scenario / single factor stress tests) to assess the Bank’s potential vulnerability (profitability and capital impacts) to extreme conditions. Stress tests are conducted on a periodic basis and the stress test results are reported to the India Country Asset Liability Management Committee (ALCO), India Risk Management Committee, Board and other governance committees of the Bank. The Bank periodically assesses and refines its stress tests in an effort to ensure that the stress scenarios capture material risks as well as reflect possible changes in the macro economic conditions. The stress tests are used in conjunction with the Banks business plans for the purpose of capital planning in the ICAAP.

Quantitative Disclosure:

	(Amount Rs.'000)	
	As at March 31, 2024	
Particulars	RWA*	Min. Cap. Req.**
Credit Risk		
- Portfolio subject to Standardized Approach	81,468,633	9,368,893
Market Risk		
- Interest Rate Risk	2,122,325	244,067
- Foreign Exchange Risk	1,687,500	194,063
Operational Risk		
- Basic Indicator Approach	27,039,293	3,109,519
Total	112,317,751	12,916,542

* RWA = Risk Weighted Assets.

** Min. Cap. Req. = Minimum Capital Requirement (including capital conservation buffer) at 11.50% of RWA.

Capital Adequacy Ratio	As at March 31, 2024
Common Equity Tier I Ratio	16.28%
Tier I Ratio	16.28%
Total Capital Ratio	23.48%

3. Credit Risk - General Disclosures

Credit Risk is defined as the risk of loss to the Bank due to non-payment of amounts that are contractually owed to the Bank. The Bank’s Management and the Board of Directors continuously monitor credit risk to ensure that prudent lending criteria are established and complied with to minimize the Bank's exposure to credit risk. The AEBC Credit Risk Management Committee (CRMC) is responsible for assisting the Bank in carrying out its credit risk management functions and reports to the Board. It has oversight responsibilities for the Bank’s credit risk and for ensuring compliance with all pertinent policies and regulatory requirements. The Bank’s lending is only in relation to card issuance business and loans to staff.

It is the policy of the Bank to:

- Extend Credit only on a safe, sound and collectible basis.
- Extend Credit in an economically sound fashion.
- Extend Credit only in compliance with applicable law and regulations and the policies of the
- Bank and in full consideration of applicable regulatory guidance.
- Document credit decisions.
- Adopt and use best-in-class risk management tools and practices.
- Require its vendors, including its affiliates, to act in accordance with the policies of the Bank when conducting business on the Bank's behalf.

The Bank has established policies and procedures to control and manage the credit risk. These policies and procedures, in particular:

- Establish the governance structure through which credit risk will be identified, assessed, controlled, monitored and reported.
- Details the credit products and services that the Bank may offer.
- Specifies certain key metrics to be used in managing credit risk.
- Establishes the conditions under which exceptions to credit policy may occur.

Management can never eliminate the Bank's credit risk. However, consistent application of the above practices will result in the credit risk being controlled to an acceptable level. Therefore, Management and the Board of Directors continuously monitor credit risk to ensure that prudent lending criterion are established and complied with so as to minimize the Bank's exposure to credit risk.

The Bank follows the RBI guidelines for asset classification. Accordingly, card receivables are treated as non-performing, if any amount is overdue for a period of more than 90 days.

The Bank also identifies all card accounts with delinquencies and writes off in the books of accounts, the outstanding card receivables which are 210 days past billing. In addition, accelerated write off is effected where it is evident that the outstanding is unlikely to be recovered.

Provision for Non-Performing Assets, Standard Assets and Unhedged Foreign Currency Exposure are made in compliance with the prudential norms prescribed by Reserve Bank of India. Corporate clients who are solely or jointly liable, are classified based on their overdue amounts. In the case of sub-standard assets, in addition to minimum provision requirement prescribed by RBI, the bank makes additional provision based on best estimate of probable losses. Accounts classified as doubtful/loss are provided at 100% till written off. Restructured assets are classified and provided for in accordance with the guidelines issued by RBI from time to time. The provisions held by the Bank are in excess of the RBI prescribed norms.

Quantitative Disclosure:

(a) Total credit exposure by industry and geographic distribution of exposure

As at March 31, 2024

(Amount Rs.'000)

Particulars	Fund Based	Non-fund Based	Total
Domestic			
Investments	-	-	-
Advances:	-	-	-
Mining and Quarrying	108,280	-	108,280
Coal	5,000	-	5,000
Others	103,280	-	103,280
Food Processing	612,585	-	612,585
Sugar	750	-	750
Edible Oils and Vanaspati	284,686	-	284,686
Tea	4,229	-	4,229
Coffee	20,000	-	20,000
Others	302,920	-	302,920
Beverages (excluding Tea & Coffee) and Tobacco	289,839	-	289,839
Tobacco and tobacco products	-	-	-
Others	289,839	-	289,839
Textiles	867,906	-	867,906
Cotton	198,369	-	198,369
Jute	4,859	-	4,859
Man-made	-	-	-
Others	662,418	-	662,418
Leather and Leather products	109,461	-	109,461
Leather and Leather products	109,461	-	109,461
Wood and Wood Products	101,359	-	101,359
Wood and Wood Products	101,359	-	101,359
Paper and Paper Products	110,430	-	110,430
Paper and Paper Products	110,430	-	110,430
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	133,222	-	133,222
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	133,222	-	133,222
Chemicals and Chemical Products (Dyes, Paints, etc.)	2,115,126	-	2,115,126
Fertilizers	67,275	-	67,275
Drugs and Pharmaceuticals	1,050,568	-	1,050,568
Petro-chemicals (excluding under Infrastructure)	3,360	-	3,360
Others	993,923	-	993,923
Rubber, Plastic, and their Products	659,902	-	659,902
Rubber, Plastic, and their Products	659,902	-	659,902
Glass, Glassware, and other non-metallic mineral products	65,985	-	65,985

(Except Cement and Cement products)			
Glass, Glassware, and other non-metallic mineral products (Except Cement and Cement products)	65,985	-	65,985
Cement and Cement Products	54,890	-	54,890
Cement and Cement Products	54,890	-	54,890
Basic Metal and Metal Products	615,926	-	615,926
Iron and Steel	293,298	-	293,298
Other Metal and Metal Products	322,628	-	322,628
All Engineering	3,023,462	-	3,023,462
Electronics	1,468,049	-	1,468,049
Others	1,555,413	-	1,555,413
Vehicles, Vehicle Parts and Transport Equipment's	839,129	-	839,129
Vehicles, Vehicle Parts and Transport Equipment's	839,129	-	839,129
Gems and Jewellery	34,947	-	34,947
Gems and Jewellery	34,947	-	34,947
Construction	433,520	-	433,520
Construction	433,520	-	433,520
Infrastructure	57,095	-	57,095
Infrastructure	57,095	-	57,095
Other Industries	2,520,389	-	2,520,389
Other Industries	2,520,389	-	2,520,389
Services	19,162,750	-	19,162,750
Land Transport and Pipelines	347,259	-	347,259
Water Transport	25,150	-	25,150
Air Transport (Aviation)	40,949	-	40,949
Post and courier activities	10,165	-	10,165
Telecommunication	429,064	-	429,064
Tourism, Hotel and Restaurants	3,150,029	-	3,150,029
Scheduled Commercial Banks	614,954	-	614,954
Housing Finance Companies (HFCs)	3,350	-	3,350
Other NBFCs	21,301	-	21,301
Mutual Fund (MFs)	18,178	-	18,178
Insurance and Pension Funding, Except compulsory Social Security	105,297	-	105,297
DFIs	350	-	350
Other Financial Intermediation activities (please specify)	927,766	-	927,766
Real Estate Activities (Other than Residential Mortgages)	94,421	-	94,421
Computer and Related Activities	5,609,397	-	5,609,397
Professional Services	4,293,982	-	4,293,982
Other Services	3,471,138	-	3,471,138
Trade	5,148,321		5,148,321
Wholesale Trade (other than Food Procurement)	1,027,799		1,027,799
Retail Trade	4,120,522		4,120,522
Personal Loans	238,334,966		238,334,966
Credit Card and Staff Loan	238,334,966		238,334,966

Total	275,399,490	275,399,490
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(b) Maturity pattern of total assets:

As at March 31, 2024

(Amount Rs.'000)

	Cash and Balances with RBI	Balances with Banks	Investments	Advances (Net)	Fixed Assets	Other Assets	Total
1 – 14 days	499,982	61,756	34,522,595	16,120,963	-	2,181,279	53,386,575
15 – 30 days	372,612	-	1,321,360	18,423,957	-	1,358,986	21,476,915
31 days – 2 months	232,420	-	826,007	2,455,173	-	433,482	3,947,082
2 months – 3 months	93,539	-	332,574	1,036,279	-	-	1,462,392
3 months – 6 months	231,833	-	824,264	1,972,504	-	-	3,028,601
6 months – 1 year	368,445	-	1,768,446	2,581,131	-	-	4,718,022
1 year – 3 years	1,452,683	-	5,156,294	4,111,956	-	160,344	10,881,277
3 years – 5 years	348,705	-	1,239,840	381,327	-	954,846	2,924,718
Over 5 years	30,289	-	107,695	103,941	3,881,511	485,760	4,609,196
TOTAL	3,630,508	61,756	46,099,075	47,187,231	3,881,511	5,574,697	106,434,778

(c) Amount of NPAs (Gross) - Total

(Amount Rs.'000)

Non performing asset category	As at March 31, 2024
Sub standard	1,070,935
Doubtful	1,547,859
Loss	-
Total	2,618,794

(d) Net NPAs

(Amount Rs.'000)

Net Non performing asset category	As at March 31, 2024
Sub- Standard	381,327
Doubtful	-
Loss	-
Total	381,327

(e) NPA Ratios

(Amount Rs.'000)

Particulars	As at March 31, 2024
Gross NPA as a ratio to gross advances	5.30%
Net NPAs to net advances	0.81%

(f) Movement of Gross NPAs

(Amount Rs.'000)

Particulars	For the year ended March 31, 2024
Opening Balance (As at April 1, 2023)	2,881,172
Additions during the period	18,704,554
Reductions during the period	18,966,932
Closing Balance (As at March 31, 2024)	2,618,794

(g) Movement of Provisions for NPAs#

(Amount Rs.'000)

Particulars	For the year ended March 31, 2024
Opening balance (As at April 1, 2023)	2,467,158
Provisions made during the period	16,313,145
Reductions made during the period due to write-off, upgradation and recoveries	16,542,836
Any other Adjustments, including transfer between provisions	-
Write-back of excess provisions	-
Closing balance (As at March 31, 2024)	2,237,467

including provision for diminution on NPA restructured advances

(h) Details of write offs and recoveries booked directly to the Income Statement

(Amount Rs.'000)

Particulars	For the year ended March 31, 2024
Write offs	1,052,909
Recoveries	588,236

(i) Movement of Provisions for Standard Assets*

(Amount Rs.'000)

Particulars	For the year ended March 31, 2024
Opening balance (As at April 1, 2023)	311,515
Provisions made during the period	-
Write-back of excess provisions	16,710
Closing balance (As at March 31, 2024)	294,805

* includes provision created for Unhedged Foreign Currency Exposure, Willful Defaulters and other provisions created and recorded as part of standard asset provision, excluding provision for diminution on standard restructured advances amounting INR 5,622 ('000) and Counter Cyclical Provisioning Buffer amounting INR 88,500 ('000).

(j) Amount of Non-Performing Investments: NIL

(k) Amount of Provision held for Non-Performing Investments: NIL

(l) Movement of Provision held for depreciation on Investments: NIL

(m) Geographic and industry wise distribution of Gross NPA, Provision for NPA, NPA Write-offs and Provision for Standard Assets

As at March 31, 2024

(Amount Rs. '000)

Particulars	Gross NPA	Provision towards NPA**	NPA Write offs	Provision for Standard Assets*
Mining and Quarrying	3,557	3,557	5	322
Coal	-	-	-	-
Others	3,557	3,557	5	322
Food Processing	970	582	6	3,330
Sugar	-	-	6	1
Edible Oils and Vanaspati	-	-	-	1,586
Tea	-	-	-	8
Coffee	-	-	-	115
Others	970	582	-	1,620
Beverages (excluding Tea & Coffee) and Tobacco	14,860	14,860	-	2,242
Tobacco and tobacco products	-	-	-	-
Others	14,860	14,860	-	2,242
Textiles	962	743	2	1,832
Cotton	-	-	-	396
Jute	-	-	-	6
Man-made	-	-	-	63
Others	962	743	2	1,367
Leather and Leather products	20,271	12,254	34	241
Leather and Leather products	20,271	12,254	34	241
Wood and Wood Products	54	54	-	352
Wood and Wood Products	54	54	-	352
Paper and Paper Products	-	-	712	218
Paper and Paper Products	-	-	712	218
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	295	295	-	1,048
Petroleum (non-infra), Coal Products (non-mining)	295	295	-	1,048

and Nuclear Fuels				
Chemicals and Chemical Products (Dyes, Paints, etc.)	130,501	109,888	1,922	8,688
Fertilizers	2,053	1,232	-	101
Drugs and Pharmaceuticals	59,229	52,251	1,913	4,995
Petro-chemicals (excluding under Infrastructure)	-	-	-	6
Others	69,219	56,405	9	3,586
Rubber, Plastic and their Products	600	360	4	1,542
Rubber, Plastic and their Products	600	360	4	1,542
Glass, Glassware and other non-metallic mineral products (Except Cement and Cement products)	-	-	-	171
Glass, Glassware and other non-metallic mineral products (Except Cement and Cement products)	-	-	-	171
Cement and Cement Products	-	-	-	49
Cement and Cement Products	-	-	-	49
Basic Metal and Metal Products	664	536	-	1,482
Iron and Steel	389	371	-	991
Other Metal and Metal Products	275	165	-	491
All Engineering	206,219	190,434	6,270	12,959
Electronics	35,744	31,471	2,433	7,761
Others	170,475	158,963	3,837	5,198
Vehicles, Vehicle Parts and Transport Equipments	4,403	4,403	1	3,444
Vehicles, Vehicle Parts and Transport Equipments	4,403	4,403	1	3,444
Gems and Jewellery	101	101	-	100
Gems and Jewellery	101	101	-	100
Construction	26	26	6	2,423
Construction	26	26	6	2,423
Infrastructure (Pertaining to Industries Sector Only)	-	-	-	123
Infrastructure (Pertaining to Industries Sector Only)	-	-	-	123
Other Industries	7,689	6,877	1,820	2,545
Other Industries	7,689	6,877	1,820	2,545
Services	1,336,051	1,203,118	65,689	84,274
Land Transport and Pipelines	153	153	-	1,814
Water Transport	-	-	-	54
Air Transport (Aviation)	-	-	-	97
Post and courier activities	-	-	-	15
Telecommunication	13,725	13,725	524	1,497
Tourism, Hotel and Restaurants	14,077	13,502	819	15,956
Scheduled Commercial Banks	6,068	3,641	-	355
Housing Finance Companies (HFCs)	-	-	-	5
Other NBFCs	-	-	-	85

Mutual Fund (MFs)	-	-	-	39
Insurance and Pension Funding, Except compulsory Social Security	6,580	6,580	310	414
DFIs	-	-	-	-
Other Financial Intermediation activities	24,746	15,927	-	4,314
Real Estate Activities (Other than Residential Mortgages)	1	1	-	494
Computer and Related Activities	646,888	577,802	11,710	27,255
Professional Services	500,853	471,818	7,540	20,364
Other Services	122,960	99,969	44,786	11,516
Trade	34,773	33,458	4,490	22,779
Wholesale Trade (other than Food Procurement)	32,233	31,757	2,131	3,934
Retail Trade	2,540	1,701	2,359	18,845
Personal Loans	856,798	613,803	904,938	144,641
Credit Card and Staff Loan	856,798	613,803	904,938	144,641
Total	2,618,794	2,195,349	985,899	294,805

* includes provision created for Unhedged Foreign Currency Exposure, Willful Defaulters and other provisions created and recorded as part of standard asset provision, excluding provision for diminution on standard restructured advances amounting INR 5,622 ('000) and Counter Cyclical Provisioning Buffer amounting INR 88,500 ('000).

**excluding provision for diminution on NPA restructured advances amounting INR 42,118 ('000)

4. Credit Risk: Disclosures for Portfolios Subject to Standardized Approach.

The Bank lending business is confined to card lending through its card issuance business and loans to staff. In view of this limited lending activity, the Bank does not use any rating assigned by the eligible external credit rating agencies for measuring credit risk. The card receivables under consumer portfolio are covered under the Specified Category attracting risk weight of 150%, card receivables under corporate portfolio are covered under the Claims on Corporates, AFCs and NBFC-IFCs Category attracting risk weight of 150% and loans to staff attract risk weight of 20% as per the RBI guidelines. All interbank balances with scheduled banks have been reckoned at 20% as per the RBI guidelines, as the counterparty banks have capital adequacy ratio of 9% and above.

Quantitative Disclosure:

Amount of bank's outstanding, by risk weight are as follows:

Risk Weight Applied*	(Amount Rs.'000)
	As at March 31, 2024
Below 100 % risk weight	50,746,186
100 % risk weight	8,882,689
More than 100 % risk weight	46,548,833
Deducted (in computation of Net Owned Funds)	-

* Net of provisions and collaterals

5. Credit Risk Mitigation: Disclosures for Standardized Approach

The Bank's advances arise from its card operations and there are normally no collaterals for these lending. However, in few cases, to mitigate credit risk, the Bank uses Bank Guarantees and Institutional deposits from customers as collaterals.

Quantitative Disclosure:

Particulars	(Amount Rs.'000)
	As at March 31, 2024
Exposure covered by Bank Guarantees	230,600
Exposure covered primarily by Institutional Deposits	1,833,902

6. Securitization : Disclosure for Standardized Approach

The Bank does not have any securitization exposure.

7. Market Risk in Trading Book

The Bank does not engage in any trading but maintains a portfolio of high quality liquid assets in the form of investments which are limited to GOI Treasury Bills to meet the Statutory Liquidity Ratio (SLR) and Liquidity Coverage Ratio (LCR) requirements. These investments are held under the Available for Sale (AFS) category and do not carry any credit risk. Foreign exchange risk in the banking book is limited and is generated on account of foreign currency denominated exposures in the balance sheet.

The general market risk capital charge towards interest rate risk and foreign exchange risk is provided as per the extant RBI guidelines, using the Standardized Duration Approach. The market risk management architecture is similar to interest rate risk and has been outlined in subsequent sections.

Capital Requirement

	(Amount Rs.'000)
	As at March 31, 2024
Interest rate Risk	244,067
Equity position risk	-
Foreign exchange risk	194,063

8. Operational Risk

RBI's Guidance Note on Operational Risk Management and Operational Resilience defines Operational Risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal risk but excludes strategic and

reputational risk and it is inherent in all banking/financial products, activities, processes and systems.

The Bank has in place an Operational Risk Management Policy framework that defines the key elements of Operational Risk Management. The Operational Risk Management Policy framework defines governance principles, globally accepted risk assessment methodologies and processes for capturing and analyzing Operational Risk Events and other Programs. Internal and External drivers shape the framework, including Regulatory environment, obligations, and market pressures. The framework and its supporting Programs are designed to be adaptable to address emerging risks and external influences as they develop in coordination with respective Stakeholders within the Business, Support Functions, and 2nd Line of Defense.

The Bank has an existing Basic Indicator Approach (BIA) for measuring the Capital Requirements for Operational Risk. However, this may get replaced with the new Standardised Approach (hereafter referred to as the 'Basel III Standardised Approach') when it comes into effect per RBI's Master Direction on Minimum Capital Requirements for Operational Risk.

9. Interest Rate Risk in the Banking Book (IRRBB)

Interest Rate Risk in the banking book is defined as the risk to earnings or risk to the value of assets or liabilities resulting from changes in interest rates. Interest rate risk is primarily generated by funding card member receivables and investments with different tenure of borrowings and deposits. These assets and liabilities generally do not create naturally off-setting positions with respect to re-pricing or maturity characteristics which may lead to changes in the Bank's earnings, net interest income and economic value.

The Bank incurs and accepts Interest rate risk exposure as a necessary accompaniment to its business model, in the regular course of offering its products and services. It does not actively seek to create Interest rate risk exposure in excess of that is incurred through its business model. The Bank's objective is to identify and manage interest rate risk exposures in the context of its overall business model while supporting sustainable earnings growth. This is accomplished by identifying, measuring and reporting such exposures on a monthly basis and managing the same within predefined Board limits.

The Bank measures IRRBB from two separate, but complimentary perspectives i.e. earnings at Risk (EaR) and economic value of equity (EVE). EaR measures the level of the Bank's exposure to interest rate risk in terms of sensitivity of its Net Interest Income (NII) to interest rate movements over a time horizon of 1 year. EVE measures the level of the Bank's exposure to interest rate risk in terms of sensitivity of its market value of equity to interest rate movements using the Duration gap approach. Ear is monitored assuming a 100 bps parallel shift in yield curve, while EVE is measured for a 200 bps parallel shift in yield curve. The Bank also undertakes periodic stress testing to keep the management informed of the potential impacts of extremely adverse interest rate movements.

Liquidity and Funding Risk

The Bank incurs and accepts liquidity and funding risk through its established business model and through the normal course of offering its products and services. The Bank has established clear objectives for its funding and liquidity management activities and maintains processes to ensure that its liquidity profile continuously remains consistent and compliant with those objectives. The objectives (which also define the liquidity/funding risk tolerance) include, but are not limited to:

- The maintenance of a diversified set of on and off-balance sheet funding sources that utilizes a prudent amount of short-term funding liabilities.
- The maintenance of a cushion of high quality, unencumbered liquid assets to be held against identified funding requirements under stress (as prescribed by the regulator) for a liquidity risk survival horizon of 30 Days.
- The projection of cash inflows and outflows from a variety of sources under various stress scenarios.
- The capacity to conduct a range of hypothetical analyses of changes to funding requirements under stress scenarios.
- A framework for the ongoing identification, measurement, management, and monitoring of liquidity requirements.
- Development of a robust Contingency Funding Plan

Liquidity Risk at the Bank is measured using the flow and stock approach. Flow approach involves comprehensive tracking of cash flow mismatches, while stock approach involves measurement of critical ratios in respect of liquidity risk. Additionally, the Bank has a Board approved liquidity stress test framework and maintains a Contingency Funding Plan in the event a material funding or liquidity crisis occurs. The Bank also has a mechanism in place to monitor Intraday liquidity risk.

General principles and the overall framework for managing market risk, interest rate risk, liquidity and funding risk are defined in the Bank's Policies.

Interest Rate Risk, liquidity and funding risk is managed and monitored by the India Country Asset Liability Management Committee (ALCO) of the Bank which is responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity and interest rate risk management strategy of the Bank in line with its risk management objectives. The India Risk Management Committee (India RMC) also oversees and monitors interest rate risk, liquidity and funding risk as part of its enterprise wide risk related responsibilities and reports into the Board of the Bank.

Quantitative Disclosure

Impact on earnings and economic value of capital:

As at March 31, 2024

(Amount Rs.'000)

	Impact of increase in interest	Impact of decrease in
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	rates by 100 bps	interest rates by 100 bps
Earnings perspective	48,383	(48,647)
	Impact of increase in interest rates by 200 bps	Impact of decrease in interest rates by 200 bps
Economic value perspective	14,6860	(14,6860)

10. General Disclosure for Exposures Related to Counterparty Credit Risk:
Not Applicable

11. Composition of Capital

(Amount Rs.'000)

Composition of Capital		As at March 31,2024	Ref No.
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)/Head office funds	22,153,299	a
2	Retained earnings / Reserves & Surplus	829,596	B
3	Accumulated other comprehensive income (and other reserves)	(4,699,324)	E
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	
Public sector capital injections grandfathered until January 1, 2018			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
6	Common Equity Tier 1 capital before regulatory adjustments	18,283,571	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	-	
10	Deferred tax assets	-	
11	Cash-flow hedge reserve	-	
12	Shortfall of provisions to expected losses	-	
13	Securitisation gain on sale	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	

Composition of Capital		As at March 31,2024	Ref No.
15	Defined-benefit pension fund net assets	-	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in common equity	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	
20	Mortgage servicing rights (amount above 10% threshold)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	
22	Amount exceeding the 15% threshold	-	
23	of which: significant investments in the common stock of financial entities	-	
24	of which: mortgage servicing rights	-	
25	of which: deferred tax assets arising from temporary differences	-	
26	National specific regulatory adjustments (26a+26b+26c+26d)	-	
26a	of which: Investments in the equity capital of the unconsolidated insurance subsidiaries	-	
26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries	-	
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	-	
26d	of which: Unamortized pension funds expenditures	-	
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-	
	of which: [INSERT TYPE OF ADJUSTMENT]	-	
	For example: filtering out of unrealized losses on AFS debt securities (not relevant in Indian context)	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	

Composition of Capital		As at March 31,2024	Ref No.
28	Total regulatory adjustments to Common equity Tier1	-	
29	Common Equity Tier 1 capital (CET1)	18,283,571	
Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	-	
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-	
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	
35	of which: instruments	-	
36	Additional Tier 1 capital before regulatory adjustments	-	
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41	National specific regulatory adjustments (41a+41b)	-	
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-	
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43	Total regulatory adjustments to Additional Tier 1 capital	-	
44	Additional Tier 1 capital (AT1)	-	
44a	Additional Tier 1 capital reckoned for capital adequacy	-	
45	Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)	18,283,571	

Composition of Capital		As at March 31,2024	Ref No.
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus – Sub-ordinated debt	7,705,660	c
47	Directly issued capital instruments subject to phase out from Tier 2	-	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Provisions:	382,245	
	General Provisions	381,738	D
	Investment Fluctuation Reserve	507	b
51	Tier 2 capital before regulatory adjustments	8,087,905	
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 instruments	-	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments (56a+56b)	-	
56a	of which: Investments in the Tier 2 capital of unconsolidated subsidiaries	-	
56b	of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-	
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	-	
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	8,087,905	
59	Total capital (TC = T1 + T2) (45 + 58c)	26,371,476	
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment		

Composition of Capital		As at March 31,2024	Ref No.
60	Total risk weighted assets (60a + 60b + 60c)	112,317,751	
60a	of which: total credit risk weighted assets	81,468,633	
60 b	of which: total market risk weighted assets	3,809,825	
60c	of which: total operational risk weighted assets	27,039,293	
Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	16.28%	
62	Tier 1 (as a percentage of risk weighted assets)	16.28%	
63	Total capital (as a percentage of risk weighted assets)	23.48%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	8.00%	
65	of which: capital conservation buffer requirement	2.50%	
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)	10.78%	
National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%	
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%	
Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financial entities	-	
73	Significant investments in the common stock of financial entities	-	
74	Mortgage servicing rights (net of related tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-	
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	382,245	

Composition of Capital		As at March 31,2024	Ref No.
77	Cap on inclusion of provisions in Tier 2 under standardized approach	382,245	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2018 and March 31, 2024)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Notes to Template

(Amount Rs.'000)

Row No. of the template	Particular	As at March 31, 2024
10	Deferred tax assets associated with accumulated losses	-
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	-
	Total as indicated in row 10	-
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	-
	of which: Increase in Common Equity Tier 1 capital	-
	of which: Increase in Additional Tier 1 capital	-
	of which: Increase in Tier 2 capital	-
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	
	(i) Increase in Common Equity Tier 1 capital	
	(ii) Increase in risk weighted assets	
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	-
	of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	-
50	Eligible Provisions included in Tier 2 capital	381,738
	Eligible Investment Fluctuation Reserves included in Tier 2 capital	507
	Eligible Revaluation Reserves included in Tier 2 capital	-
	Total of row 50	382,245

12. Composition of Capital – Reconciliation requirements:

Step - I			Amount in '000
		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on March 31, 2024	As on March 31, 2024
A	Capital & Liabilities		
I	Paid-up Capital	22,153,299	22,153,299
	Reserves & Surplus	830,103	830,103
	Minority Interest	-	-
	Total Capital & Reserves	22,983,402	22,983,402
II	Deposits	41,165,047	41,165,047
	of which: Deposits from banks	-	-
	of which: Customer deposits	41,165,047	41,165,047
	of which: Other deposits (pl. specify)	-	-
III	Borrowings	26,821,128	26,821,128
	of which: From RBI	-	-
	of which: From banks	3,790,828	3,790,828
	of which: From other institutions & agencies	-	-
	of which: Others (pl. specify)	-	-
	of which: Capital instruments	23,030,300	23,030,300
IV	Other liabilities & provisions	20,164,525	20,164,525
	Total	111,134,102	111,134,102
B	Assets		
I	Cash and balances with Reserve Bank of India	3,630,508	3,630,508
	Balance with banks and money at call and short notice	61,756	61,756
II	Investments:	46,099,075	46,099,075
	of which: Government securities	46,099,075	46,099,075
	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.)	-	-
III	Loans and advances	47,187,231	47,187,231
	of which: Loans and advances to banks	31,634	31,634
	of which: Loans and advances to customers	47,155,597	47,155,597
IV	Fixed assets	3,881,511	3,881,511
V	Other assets	5,574,697	5,574,697
	of which: Goodwill and intangible assets	-	-

	of which: Deferred tax assets	-	-
VI	Goodwill on consolidation	-	-
VII	Debit balance in Profit & Loss account	4,699,324	4,699,324
	Total Assets	111,134,102	111,134,102

Step - II		Amount in '000		
		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Re f
		As on March,31, 2024	As on March,31, 2024	
A	Capital & Liabilities			
I	Paid-up Capital	22,153,299	22,153,299	a
	of which: Amount eligible for CET1	22,153,299	22,153,299	
	of which: Amount eligible for AT1	-	-	
	Reserves & Surplus	830,103	830,103	b
	of which: Statutory Reserve	829,596	829,596	
	of which: Investment Fluctuation Reserve	507	507	
	Minority Interest	-	-	
	Total Capital	22,983,402	22,983,402	
II	Deposits	41,165,047	41,165,047	
	of which: Deposits from banks	-	-	
	of which: Customer deposits	41,165,047	41,165,047	
	of which: Other deposits (pl. specify)	-	-	
III	Borrowings	26,821,128	26,821,128	
	of which: From RBI	-	-	
	of which: From banks	3,790,828	3,790,828	
	of which: From other institutions & agencies	-	-	
	of which: Others (pl. specify)	-	-	
	of which: Capital instruments	23,030,300	23,030,300	
	of which: admissible as Tier 2 capital	7,705,660	7,705,660	c
IV	Other liabilities & provisions	20,164,525	20,164,525	
	of which: general provisions included in Tier 2 Capital	381,738	381,738	d
	of which: other liabilities	19,782,787	19,782,787	
	Total	111,134,102	111,134,102	
B	Assets			
I	Cash and balances with Reserve Bank of India	3,630,508	3,630,508	
	Balance with banks and money at call and short notice	61,756	61,756	
II	Investments	46,099,075	46,099,075	
	of which: Government securities	46,099,075	46,099,075	
	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.)	-	-	
III	Loans and advances	47,187,231	47,187,231	
	of which: Loans and advances to banks	31,634	31,634	
	of which: Loans and advances to customers	47,155,597	47,155,597	
IV	Fixed assets	3,881,511	3,881,511	
V	Other assets	5,574,697	5,574,697	
	of which: Goodwill and intangible assets Out of which:	-	-	
	Goodwill	-	-	
	Other intangibles (excluding MSRs)	-	-	
	Deferred tax assets	-	-	
VI	Goodwill on consolidation	-	-	
VI				e
I	Debit balance in Profit & Loss account	4,699,324	4,699,324	
	of which: Accumulated Losses	5,195,964	5,195,964	
	of which: (Profit)/Loss during the year	(496,640)	(496,640)	
	Total Assets	111,134,102	111,134,102	

Step - III		Amount in '000		
Extract of Basel III common disclosure template (with added column) - Table DF-11 (Part I/ Part II whichever, applicable)				
Tier 1 & Tier 2 Capital				
		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	Ref
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	22,153,299	22,153,299	a
2	Statutory Reserves	829,596	829,596	b
3	Accumulated Losses	4,699,324	4,699,324	e
	Tier 1 capital (1+2+3)	18,283,571	18,283,571	
4	Investment fluctuation	507	507	b
5	Provisions	381,738	381,738	d
6	Subordinate Debt	23,030,300	23,030,300	
6		7,705,660	7,705,660	c
a	Of which: admissible as Tier 2 Capital			
	Tier 2 capital (4+5+6a)	8,087,905	8,087,905	

13. Disclosures on Main Features of Regulatory Capital Instruments and Full Terms and Conditions

The capital of the bank comprises of interest free funds from Head Office, reserves & surplus, subordinated debt and general provisions on standard assets (including provision for Unhedged Foreign Currency Exposure, Willful Defaulters and other provisions created and recorded as part of standard asset provision).

Further, the bank has issued below capital instruments forming part of Tier 2 Debt Capital raised in the form of Head Office Borrowings in Foreign Currency:

As at March 31, 2024					
S.No.	Items	I	II	III	III
1	Issuer	American Express Banking Corp. - India Branch			
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3	Governing law(s) of the instrument	Applicable Indian statutes and regulatory requirements			

	<i>Regulatory treatment</i>				
4	Transitional Basel III rules	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional Basel III rules	Tier 2	Tier 2	Tier 2	Tier 2
6	Eligible at solo/group/group & solo	Solo	Solo	Solo	Solo
7	Instrument type	Tier 2 Debt instrument - Head Office Borrowings	Tier 2 Debt instrument - Head Office Borrowings	Tier 2 Debt instrument - Head Office Borrowings	Tier 2 Debt instrument - Head Office Borrowings
8	Amount recognized in regulatory capital (Rs. in million, as of most recent reporting date)	INR 990.00 million.	INR 1,030.12 million.	INR 1,036.14 million.	INR 4,649.40 million.
9	Par value of instrument	INR 4950.00 million.	INR 5150.60 million.	INR 5180.70 million.	INR 7749.00 million.

10	Accounting classification	Liability - Borrowings Outside India - Tier 2 Debt Capital raised in the form of Head Office Borrowings in Foreign Currency	Liability - Borrowings Outside India - Tier 2 Debt Capital raised in the form of Head Office Borrowings in Foreign Currency	Liability - Borrowings Outside India - Tier 2 Debt Capital raised in the form of Head Office Borrowings in Foreign Currency	Liability - Borrowings Outside India - Tier 2 Debt Capital raised in the form of Head Office Borrowings in Foreign Currency
11	Original date of issuance	04-May-18	11-Mar-20	17-Mar-20	26-May-22
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	04-May-28	11-Mar-26	17-Mar-27	26-May-29
14	Issuer call subject to prior supervisory approval	Yes (as per current guidelines RBI approval is required)	Yes (as per current guidelines RBI approval is required)	Yes (as per current guidelines RBI approval is required)	Yes (as per current guidelines RBI approval is required)

15	Optional call date, contingent call dates and redemption amount	<p>After completion of 5 years from the Issuance date (i.e. 04-May-2023), with a prior notice of 90 days to the Lender. The Bank has decided to exercise the prepayment option only after 01-May-2025.</p> <p>Tax/Regulatory call event - Not applicable</p> <p>Redemption Price : At par</p>	<p>After completion of 5 years from the Issuance date (11-Mar-2025), with a prior notice of 90 days to the Lender.</p> <p>Tax/Regulatory call event - Not applicable</p> <p>Redemption Price : At par</p>	<p>After completion of 5 years from the Issuance date (17-Mar-2025), with a prior notice of 90 days to the Lender.</p> <p>Tax/Regulatory call event - Not applicable</p> <p>Redemption Price : At par</p>	<p>After completion of 5 years from the Issuance date (26-May-2027), with a prior notice of 90 days to the Lender.</p> <p>Tax/Regulatory call event - Not applicable</p> <p>Redemption Price : At par</p>
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16	Subsequent call dates, if applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	<i>Coupons / dividends</i>				
17	Fixed or floating dividend/coupon	Interest Free	Interest Free	Interest Free	Interest Free
18	Coupon rate and any related index	Not Applicable	Not Applicable	Not Applicable	Not Applicable
19	Existence of a dividend stopper	Not Applicable	Not Applicable	Not Applicable	Not Applicable
20	Fully discretionary, partially discretionary or mandatory	Not Applicable	Not Applicable	Not Applicable	Not Applicable
21	Existence of step up or other incentive to redeem	Not Applicable	Not Applicable	Not Applicable	Not Applicable

22	Noncumulative or cumulative	Not Applicable	Not Applicable	Not Applicable	Not Applicable
23	Convertible or non-convertible	Not Applicable	Not Applicable	Not Applicable	Not Applicable
24	If convertible, conversion trigger(s)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
25	If convertible, fully or partially	Not Applicable	Not Applicable	Not Applicable	Not Applicable
26	If convertible, conversion rate	Not Applicable	Not Applicable	Not Applicable	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable	Not Applicable	Not Applicable	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable	Not Applicable	Not Applicable	Not Applicable

29	If convertible, specify issuer of instrument it converts into	Not Applicable	Not Applicable	Not Applicable	Not Applicable
30	Write-down feature	Not Applicable	Not Applicable	Not Applicable	Not Applicable
31	If write-down, write-down trigger(s)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
32	If write-down, full or partial	Not Applicable	Not Applicable	Not Applicable	Not Applicable
33	If write-down, permanent or temporary	Not Applicable	Not Applicable	Not Applicable	Not Applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable	Not Applicable	Not Applicable	Not Applicable

35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to the claims of all depositors and general creditors.	Subordinate to the claims of all depositors and general creditors.	Subordinate to the claims of all depositors and general creditors.	Subordinate to the claims of all depositors and general creditors.
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	Not Applicable	Not Applicable	Not Applicable	Not Applicable

14. Full Terms and Conditions of Regulatory Capital instruments:

The capital of the bank comprises of interest free funds from Head Office, reserves & surplus, subordinated debt and general provisions on standard assets (including provision for Unhedged Foreign Currency Exposure, Willful Defaulters and other provisions created and recorded as part of standard asset provision). The details of issued Tier 2 capital is as above.

15. Comparison of accounting assets vs. leverage ratio exposure measure

As at March 31, 2024

Summary comparison of accounting assets vs. leverage ratio exposure measure		
S No.	Particulars	Amount in Rs. '000
1	Total consolidated assets as per published financial statements	111,134,102
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	-
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	22,768,632
7	Other adjustments (Debit balance in Profit & Loss Account)	(4,699,324)
8	Leverage ratio exposure	129,203,410

Leverage Ratio as at March 31, 2024

(Amount Rs.'000)

S No.	Particulars	Leverage ratio
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	111,134,102
2	Asset amounts deducted in determining Basel III Tier 1 capital	(4,699,324)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1, 2 and 2A)	106,434,778
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	-
5	Add-on amounts for PFE associated with all derivatives	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-

7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	Total derivative exposures (sum of lines 4 to 10)	-
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	-
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	227,686,315
18	(Adjustments for conversion to credit equivalent amounts)	(204,917,683)
19	Off-balance sheet items (sum of lines 17 and 18)	22,768,632
Capital and total exposures		
20	Tier 1 capital	18,283,571
21	Total exposures (sum of lines 3, 11, 16 and 19)	129,203,410
Leverage ratio		
22	Basel III leverage ratio	14.15%

16. Disclosures on Remuneration

Qualitative Disclosures

Being a Branch of a Foreign Bank, the Bank does not have any Remuneration Committee for approval of the Managerial Remuneration. The Bank's compensation structure is in conformity with the principles and practices set out by the Financial Stability Board (FSB). Further, the Bank has obtained the RBI's approval for the Chief Executive Officer's (CEO) remuneration.

Quantitative Disclosures

The quantitative disclosures cover the Bank's CEO and Key Risk Takers. The Bank's Key Risk Takers include the CEO, Head of Business Units and select roles in Treasury and Risk.

(Amount Rs.'000)

S No.	Particulars	2023-24
1	(i) Number of employees having received a variable remuneration award during the financial year.	5

	(ii) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	1,723
	(iii) Total amount of deferred remuneration paid out in the financial year	862
2	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	
	Fixed	62,312
	Variable	29,534
	Deferred	-
	Non-deferred	29,534
3	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	-
	(ii) Total amount of reductions during the financial year due to ex- post explicit adjustments.	-
	(iii) Total amount of reductions during the financial year due to ex- post implicit adjustments.	-
4	Retrials' (PF, Gratuity, SA)	4,671

Variable pay included above is on cash basis i.e. the year in which the same is paid out.

Compensation for CEO is as approved by the RBI and paid by the Bank to the CEO. Compensation for other risk takers is as approved by the Bank.

Charges for long term incentive awards in form of shares, issued by the ultimate parent company to the key risk takers, has not been considered for the disclosure purpose as there is no charge to Profit and Loss account of the Bank.