

## **BASEL III PILLAR III DISCLOSURES**

**JPMorgan Chase Bank, N.A., India**

**Year ended September 30, 2024**

## Basel III - Pillar III disclosures for the Year ended September 30, 2024

### I. Table DF-1: Scope of Application

The Basel III Pillar III disclosures included herein are made solely to meet the requirements in India, and relate solely to the activities of applicable to all JPMorgan Chase Bank, N.A., branches in India, ("JPMorgan Chase Bank, N.A., a scheduled commercial bank under the Reserve Bank of India Act, 1934 acting through its branches in India (hereinafter referred to as "JPMCB India")) and its associates, Non Banking Financial Company which is J.P. Morgan Securities India Private Limited ("JPMSI") and J.P. Morgan India Private Limited ("JPMIPL") engaged primarily in Merchant Banking, Underwriting, Stock Broking business. The Branch, JPMSI and JPMIPL are wholly-owned subsidiaries of JPMorgan Chase & Co. and together constitute "The Consolidated Bank" in line with the Reserve Bank of India ("RBI") guidelines on the preparation of consolidated prudential returns.

For the purpose of financial reporting, the Bank is not required to consolidate its associate in accordance with Accounting Standard ('AS') 21, Consolidated Financial Statements.

For the purpose of consolidated prudential regulatory reporting, the consolidated Bank includes JPMSI and JPMIPL as required by RBI in its circular on "Financial Regulation of Systemically Important NBFC's and Bank's relationship with them" vide circular ref. DBOD. No. BP. BC. 72/ 21.04.018/ 2001-02 dated February 25, 2003 read with "Guidelines for consolidated accounting and other quantitative methods to facilitate consolidated supervision" vide circular ref. DBOD.No. BP.BC. 72 /21.04.018/2001-02 dated February 25, 2003 and RBI email received dated January 6, 2021.

The Bank does not have any subsidiaries nor does it hold any major stake in any company.

For a comprehensive discussion of risk management of the Firm, including its consolidated subsidiaries, please refer to Firm's Annual Report for the year ended December 31, 2023, which is available in the Investor Relations section of [www.jpmorganchase.com](http://www.jpmorganchase.com).

Details of associate of the Bank along with the consolidation status for accounting and regulatory purposes are given below:

#### a. Accounting and regulatory consolidation

Name of the entity / Country of incorporation	Included under accounting scope of consolidation (yes / no)	Method of consolidation	Included under regulatory scope of consolidation (yes / no)	Method of consolidation	Reasons if consolidated under only one of the scopes of consolidation
J.P. Morgan Securities India Private Limited / (India)	No	NA	Yes	Line by line consolidation method adopted as per AS-21  The financial statements are prepared under Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)]	As per the RBI circular number DBOD. No. BP. BC. 72/ 21.04.018/ 2001-02 dated February 25, 2003 the Bank is not required to publish consolidated financial statements as per AS-21

J.P. Morgan India Private Limited	No	NA	Yes	Line by line consolidation method adopted as per AS-21  The financial statements are prepared under Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)].	As per the RBI circular number DBOD. No. BP. BC. 72/ 21.04.018/ 2001-02 dated February 25, 2003 the Branch is not required to publish consolidated financial statements as per AS-21, whereas the Branch is required to include this associate under regulatory scope of consolidation.
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**b. List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation**

(Rs. in million)

Name of the entity/ Country of incorporation	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) #	% of bank's holding in the total equity	Regulator treatment of bank's investments in the capital instruments of the entity	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)
J.P. Morgan Services India Private Limited*	The Company is registered with the Software Technology Parks of India (STPI) and is engaged in providing software services and information technology enabled services.	314	NIL	Not Applicable	212,364
JPMorgan Asset Management India Private Limited	The principal activity of the Company was to act as financial advisors, investment managers and investment advisors, and to render financial management, financial consultancy and advisory services.  The Board of Directors on March 22, 2016 passed a resolution to transfer the right to manage the schemes of JPMorgan Mutual Fund to another third party investment	2,701	NIL	Not Applicable	1,248

	<p>manager registered with SEBI. The transfer was effective November 26, 2016. Consequently, the Company is no longer the investment manager of the schemes of the JPMorgan Mutual Fund and business has discontinued.</p> <p>Further on company's request, SEBI vide its letter dated 13<sup>th</sup> June 2018, has cancelled the certificate of registration of JP Morgan Mutual Funds and has withdrawn the approval granted to JPMorgan Asset Management India Private Limited, to act as the Asset Management Company to the Mutual Fund</p>				
JPMorgan Mutual Fund India Private Limited	<p>The principal activity of the Company was to act as trustees, administrators, representatives or nominees of or for any mutual or other funds.</p> <p>The Board of Directors on March 22, 2016 passed a resolution to transfer the trusteeship of the schemes of JPMorgan Mutual Fund to another third party trustee company registered with SEBI. The transfer was effective November 26, 2016. Consequently, the Company is no longer the trustee of the schemes of the JPMorgan Mutual Fund and business has discontinued.</p> <p>Further on company's request, SEBI vide its letter dated 13<sup>th</sup> June 2018, has cancelled the certificate of registration of JPMorgan Mutual Funds and JPMorgan Mutual Fund India Private Limited can no longer carry out activity as a Trustee Company</p>	1	NIL	Not Applicable	12

Note:

1. # Represents Equity Share Capital
2. The above numbers represents balances as at 31<sup>st</sup> March, 2024
3. \* Prepared as per Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)].

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

(Rs. in million)

Name of the entity / country of incorporation (as indicated in (i)a. above)	Principle activity of the entity	Total balance sheet equity (as stated in the accounting balance sheet of the legal entity)*	Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)*
J.P. Morgan Securities India Private Limited (India) *	NBFC	4,502	44,745
J.P. Morgan India Private Limited*	Merchant banking, Underwriting, Stock broking and investment advisory	764	129,274

\* Amounts represent balances as at 30<sup>th</sup> September, 2024 and prepared as per Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)].

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

As of September 30, 2024, the Bank does not have any subsidiaries; hence it is not required to make any deductions for capital deficiencies.

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

As of September 30, 2024, the Bank does not have investment in any insurance entity.

**f. Restrictions or impediments on transfer of funds or regulatory capital within the banking group**

There are no restrictions or impediments on transfer of funds within the Group.

## II. Table DF-2 Capital Adequacy

The Firm's capital management framework is intended to ensure that there is sufficient capital to support the underlying risks of the Firm's business activities and to maintain "well-capitalized" status under US regulatory requirements. In addition, the Firm holds capital above these requirements as deemed appropriate to achieve management's regulatory and debt rating objectives. The Firm assesses its capital adequacy relative to the risks underlying the Firm's business activities, utilizing internal risk-assessment methodologies.

At local level, the Bank leverages to the extent possible the group-wide capital management framework and risk assessment methodologies. These considerations are formalized as part of a local Internal Capital Adequacy Assessment Process (ICAAP), as required by local regulation.

The Capital Management process at bank local level is coordinated by the Finance organization with inputs from appropriate local and firm wide risk specialists, and is reviewed by the Bank's Management Committee. It is the responsibility of local management to determine the appropriate level of capitalization for the Bank and to ensure the businesses are managed within those capital limits or to request for additional capital in accordance with the Firm's Major Capital Infusion policy. In the normal course of events, management reviews the adequacy of capital periodically.

A summary of the Consolidated Bank capital requirement under Basel III guidelines for credit risk, market risk and operational risk and the capital adequacy ratio as on September 30, 2024 is presented below.

### Capital requirements for credit risk (Rs. in million)

Particulars	Amount <sup>1</sup>
- Portfolios subject to standardized approach	95,331
- Securitization exposure	1,816
<b>Total</b>	<b>97,147</b>

### Capital requirements for market risk

Standardized duration method	Amount <sup>1</sup>
- Interest rate risk	33,396
- Foreign exchange risk (including gold)	2,475
- Equity risk	-
<b>Total</b>	<b>35,871</b>

### Capital requirements for operational risk

Particulars	Amount <sup>1</sup>
- Basic indicator approach	19,268

Particulars	Standalone <sup>2</sup>	Consolidated <sup>1</sup>
CRAR	20.05%	28.05%
Tier I CRAR	17.57%	25.77%
Tier II CRAR	2.48%	2.28%

#### Notes:-

1. Includes entity considered under regulatory scope of consolidation.
2. Standalone represents JPMorgan Chase Bank, N.A., India.

### III. Table DF-3: Credit Risk

#### Credit Risk Management Policy

Credit risk is the risk of loss arising from the default of a customer, client or counterparty. The Firm provides credit to a variety of customers, ranging from large corporate and institutional clients to the individual consumers and small businesses. The Firm manages the risk/reward relationship of each credit and discourages the retention of assets that do not generate a positive return above the cost of risk-adjusted capital.

The Board of Directors' Risk Committee (Board Risk Committee) and the Firm's CEO mandate the existence of an Independent Risk Management (IRM) function. The CEO appoints Firm's Chief Risk Officer (CRO) to create the Risk governance structure subject to approval by the Board Risk Committee in the form of Primary Risk Policies, and to manage the IRM function on a day to day basis.

Credit Risk management is an independent risk management function that monitors and measures credit risk throughout the Firm and defines credit risk policies and procedures. The Firm's credit risk management governance consists of the following primary functions:

Establishing and maintaining a credit risk policy framework.

Monitoring, measuring and managing credit risk across all portfolio segments, including transaction and exposure approval.

Setting industry concentration limits and establishing underwriting guidelines.

Assigning and managing credit authorities in connection with the approval of all credit exposure.

Managing criticized exposures and delinquent loans.

Establishing credit losses and ensuring appropriate credit risk-based capital management.

In India, the Bank appoints a CRO, based on recommendation received from the global risk organisation of the firm, as further approved by the MANCOM. The CRO is responsible for enterprise wide risk management covering credit, market, liquidity, interest rate, reputation and operational risk. The CRO will oversee the risk management department in India and will not perform any other roles like CEO, CFO, COO, Audit or such other functions, and will only be involved in risk management functions.

#### Risk identification

The Firm is exposed to credit risk through its underwriting, lending, market-making, and hedging activities with and for clients and counterparties, as well as through its operating services activities (such as cash management and clearing activities), securities financing activities, investment securities portfolio and cash placed with banks. Credit risk management works in partnership with the business segments in identifying and aggregating exposures across all lines of business.

#### Risk measurement

To measure credit risk, the Firm employs several methodologies for estimating the likelihood of obligor or counterparty default. Credit risk measurement is based upon the amount of exposure should the obligor or the counterparty default, the probability of default and the loss severity given a default event. These finally result in a facility grade for each facility sanctioned by the Firm to a customer. Based on these factors and related market-based inputs, the Firm estimates credit losses for its exposures. Probable credit losses inherent in the consumer and wholesale held for investment loan portfolios are reflected in the allowance for loan losses, and probable credit losses inherent in lending-related commitments are reflected in the allowance for lending related commitments. These losses are estimated using statistical analysis and other factors. In addition, potential and unexpected

credit losses are reflected in the allocation of credit risk capital and represent the potential volatility of actual losses relative to the established allowances for loan losses and lending related commitments. Risk measurement for the wholesale portfolio is assessed primarily on a risk rated basis.

Credit loss estimates are based on estimates of the probability of default (“PD”) and loss severity given a default. The estimation process includes assigning risk-ratings to each borrower and credit facility to differentiate risk within the portfolio. These risk-ratings are reviewed regularly by Credit Risk Management and revised as needed to reflect the borrower’s current financial position, risk profile and related collateral. The probability of default is estimated for each borrower, and a loss given default is estimated considering the collateral and structural support for each credit facility. The calculations and assumptions are based on historic experience and management judgment and are reviewed regularly.

#### Risk monitoring

The Firm has developed policies and practices that are designed to preserve the independence and integrity of the approval and decision-making process of extending credit to ensure credit risks are assessed accurately, approved properly, monitored regularly and managed actively at both the transaction and portfolio levels. The Firm’s policy framework establishes credit approval authorities, concentration limits, risk-grading methodologies, portfolio review parameters and guidelines for management of distressed exposures. Wholesale credit risk is monitored regularly at an aggregate portfolio, industry and an individual client and counterparty level. In order to meet credit risk management objectives, the Firm seeks to maintain a risk profile that is diverse in terms of borrower, product type, industry and geographic concentration. Management of the Firm's wholesale exposure is accomplished through loan underwriting and credit approval process, loan syndication and participations, loan sales and securitisations, credit derivatives, use of master netting agreements and collateral and other risk-reduction techniques.

At a local level, the consolidated bank monitors large exposures in accordance with RBI regulations on single / group obligor limits. This ensures that large single obligor / group exposures are managed within appropriate limits set in relation to our capital resources. For the Bank, Single and Group Obligor exposure limits are set as per the Large Exposures Framework (LEF) guidelines of the RBI. Exposure are closely monitored on the daily basis against internal limits which are set lower than the regulatory ceiling. When an exposure is reasonably close to internal limits it will be tracked closely to ensure that there are no breaches of the regulatory ceiling through fresh disbursements/transactions. Any breaches in the limits are highlighted to senior management immediately along with the reasons for the breach. Management then takes a decision on the future course of action on exposures to that particular client. These breaches, if any are also reported to RBI. In addition, industry concentrations and risk mitigation through collateral are also addressed in the local credit policies for all credit exposures. The local policy for the Bank also specifically addresses the RBI guidelines that the Bank will follow with respect to its exposure to sectors like Real Estate, and NBFC’s, and policies governing transfer of loans and securitisation. Further, in line with RBI regulation on Exposure to Intra group entities, (ITEs), the bank has implemented daily exposure monitoring process for single entity and intra group entity exposure.

#### Risk reporting

At a firm level, to enable monitoring of credit risk and effective decision making, aggregate credit exposure, credit quality forecasts, concentration levels and risk profile changes are reported regularly to senior members of credit risk management. Detailed portfolio reporting of industry, customer, product and geographic concentrations occurs monthly, and the appropriateness of the allowance for credit losses is reviewed by senior management at least on a quarterly basis. Through the risk reporting and governance structure, credit risk trends and limit exceptions are provided regularly to and discussed with Senior Management and the Board of Directors as appropriate.

At a local level, the Credit Risk function reports into the India Chief Credit Officer and is additionally overseen by the India CRO of the Bank. The CRO works closely with the regional as well as global Credit Risk Management (CRM) teams to ensure that the credit exposure taken at the Bank is in line

with the Bank's risk management policy framework. There is a comprehensive credit authority / delegation framework in place which enables decision making to be escalated/delegated in response to the size and risk intensity of the request.

The India Credit Committee (ICC) approves the credit exposure that is to be booked in the Bank in accordance with the loan policy.

The ICC meets on a periodic basis and accords its decision on credit/investment requests from the various business units at the Bank. Similarly for JPMSI the Credit and Investment Committee reviews and approves proposals to book loans and advances in this entity. Once every 2 months, the India Risk Committee (IRC) reviews the Bank's portfolio and break-down of the portfolio by sector, security, products, rating etc and updates on the sensitive sectors, unhedged foreign currency exposure, etc are reviewed on a quarterly basis by the IRC. JPMSI Risk Management Committee (RMC) reviews the credit portfolio on a quarterly basis.

*Definition of past due and impaired*

Any amount due to the consolidated bank under any credit facility is 'overdue' if it is not paid on the due date fixed (i.e. is not paid as per the date the obligor is obligated to pay). In case of the Bank an NPA shall be a loan or an advance or a derivative contract where any amount to be received (as per the contractual terms) remains overdue for a period of more than 90 days or in respect of an Overdraft/Cash Credit the account remains 'out of order' for a period of more than 90 days, in line with RBI directives. Likewise, in case of JPMSI, NPA shall be an asset where any amount to be received (as per the contractual terms) remains overdue for a period of 3 months or more.

<b>Quantitative Disclosure</b>	(Rs. in million)
<b>Gross credit exposures</b>	<b>Amount<sup>1</sup></b>
Fund based	725,907
Non fund based	514,154
<b>Total</b>	<b>1,240,061</b>

<b>Geographic distribution of exposures</b>	(Rs. in million)
<b>Geographic distribution of exposures</b>	<b>Amount<sup>1</sup></b>
Fund based – domestic	725,907
Non fund based – domestic	514,154
Fund based – overseas	-
Non fund based – overseas	-
<b>Total</b>	<b>1,240,061</b>

Note :- 1. Includes entity considered under regulatory scope of consolidation and excludes investments covered under specific market risk and other assets.

**Industry type disclosure of exposures<sup>1</sup>**

(Rs. in million)

<b>Industry</b>	<b>Fund Based</b>	<b>Non Fund Based</b>	<b>Total Exposure</b>
Services	242,098	383,273	625,371
NBFC	57,192	36,349	93,541
All Engineering - Others	62,468	13,530	75,998
Computer Software	40,392	13,984	54,376
Trading	47,408	1,427	48,835
Vehicles, Vehicle Parts and Transport Equipments	39,734	4,171	43,905
Chemical Dyes Paints - Drugs and Pharma	32,571	4,486	37,057
Chemical Dyes Paints - Others	24,421	9,152	33,573
Basic Metal and Metal Products - Iron and Steel	26,977	2,837	29,814
Infrastructure - Telecommunication	25,225	2,111	27,336
All Engineering - Electronic	22,297	1,766	24,063
Beverages - Others	22,025	472	22,497
Other Industries	14,123	8,261	22,384
Infrastructure-Electricity Generation/Transmission	4,757	13,033	17,790
Cement and Cement Products - Cement	8,964	4,712	13,676
Food Processing - Others	12,090	1,251	13,341
Food Processing - Vegetable Oils and Vanaspati	12,750	82	12,832
Petroleum, Coal Products and Nuclear Fuels - Petroleum	6,140	3,103	9,243
Commercial Real Estate	8,400	627	9,027
Basic Metal and Metal Products - Other Metal and Metal Prod	4,563	4,185	8,748
Textiles	4,045	140	4,185
Infrastructure - Airport	1,583	2,229	3,812
Infrastructure - Water Sanitation	1,558	1,332	2,890
Infrastructure - Social and Commercial	2,300	-	2,300
Infrastructure - Roads and Bridges	-	1,488	1,488
Chemical Dyes Paints - Petro Chemicals	760	25	785
Rubber, Plastic & Products	450	37	487
Shipping	410	19	429
Wood Products	205	-	205
Professional Services	1	55	56
Gems and Jewellery	-	12	12
Food Processing - Tea	-	5	5
<b>Total</b>	<b>725,907</b>	<b>514,154</b>	<b>1,240,061</b>

Note :-

- Includes entity considered under regulatory scope of consolidation and excludes investments covered under specific market risk and other assets.

## Residual contractual maturity breakdown of assets<sup>1</sup>

(Rs in million)

Maturity Bucket	Cash and Balances with RBI	Balances with Banks <sup>2</sup>	Investment	Advances	Fixed Asset	Other Assets	Grand Total
1 day	48,613	18,477	739,139	5,167	-	662	812,058
2-7 days	5,376	5,995	26,114	13,599	-	575	51,659
8-14 days	1,187	1,000	4,220	15,942	-	1,055	23,404
15 - 30 days	3,582	8,244	20,737	41,319	-	7,300	81,182
31 Days to 2 months	2,428	15,003	23,634	22,400	-	2,288	65,753
>2 months to 3 months	1,206	6,459	23,897	10,337	-	967	42,866
>3 months to 6 months	1,110	2,731	19,672	21,883	-	2,900	48,296
>6 months to 1 year	786	47,447	2,795	2,940	-	949	54,917
>1 year to 3 years	3,576	-	38,647	6,683	-	3,352	52,258
>3 years to 5 years	1	-	35,537	3,672	-	13	39,223
>5 years	-	-	37,471	6,158	959	80,936	125,524
<b>Total</b>	<b>67,865</b>	<b>105,356</b>	<b>971,863</b>	<b>150,100</b>	<b>959</b>	<b>100,997</b>	<b>1,397,140</b>

Note :- 1. Includes entity considered under regulatory scope of consolidation

2. Including Money at call and short notice.

3. The above has been prepared on similar guidelines as used for the statement of structural liquidity

(Rs. In million)

Amount of NPAs (Gross)	Amount <sup>1</sup>
Substandard	-
Doubtful 1	-
Doubtful 2	-
Doubtful 3	-
Loss	-
<b>Gross NPAs</b>	-
<b>Net NPAs</b>	-
<b>NPA Ratios</b>	-
Gross NPAs to gross advances	0.00%
Net NPAs to net advances	-
<b>Movement of NPAs (Gross)</b>	
Opening balance	-
Additions	-
Reductions	-
Closing balance	-
<b>Movement of provisions for NPAs</b>	
Opening balance	-
Provision made during the year	-
Write-off/ Write- back of excess provisions	-
Closing balance	-
Amount of non-performing investments <sup>3</sup>	-
Amount of provisions held for non-performing investments <sup>3</sup>	-
<b>Movement of provisions for depreciation/appreciation on investments</b>	
Opening balance <sup>2</sup>	323
Depreciation / (Appreciation) booked during the year <sup>4</sup>	(13,153)
Write-off	-
Write-back of excess provisions	-
Closing Depreciation / (Appreciation)	<b>(12,830)</b>

Note :- 1. Includes entity considered under regulatory scope of consolidation.

2.Represents balance as of 1<sup>st</sup> April 2024.

3. Since the investments is measured at fair value through profit and loss, no additional provision is required to be made on the non-performing investments.

4. Appreciation, if any, is recognised only in case of financial statement prepared under IND AS.

### Movement of Specific & General Provisions<sup>1</sup>

(Rs. in million)

Movement of Provisions	Specific Provisions	General Provisions
Opening balance <sup>2</sup>	-	2,445
Provisions made during the year	-	265
Write-off	-	-
(Write-back) of excess provisions	-	-
Adjustments/Transfers between provisions	-	-
<b>Closing balance</b>	<b>-</b>	<b>2,710</b>

Note: -

1. Includes entity considered under regulatory scope of consolidation.

2. Represents balance as of 1<sup>st</sup> April 2024.

3. The above provision does not includes Enhanced provision on Large borrowers.

4. General provision includes standard asset provision on loans and derivatives including provision on unhedged foreign currency exposures

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(Rs. in million)

Write offs that have been booked directly to the income statement <sup>1</sup>	-
Recoveries that have been booked directly to the income statement	-

Note :- 1. Includes entity considered under regulatory scope of consolidation.

### Major Industry's breakup of NPA, Specific & general provisions & write offs during the period<sup>1</sup>:

(Rs. in million)

Industry	Gross NPAs	Specific Provision	General Provision <sup>2</sup>	Write off
Services	-	-	1,311	-
NBFC	-	-	319	-
All Engineering - Others	-	-	187	-
Computer Software	-	-	101	-
Vehicles, Vehicle Parts and Transport Equipments	-	-	97	-
Trading	-	-	91	-
Basic Metal and Metal Products - Iron and Steel	-	-	79	-
Infrastructure - Telecommunication	-	-	72	-
Infrastructure-Electricity Generation/Transmission	-	-	66	-
Infrastructure - Social and Commercial	-	-	58	-
Chemical Dyes Paints - Others	-	-	57	-
Chemical Dyes Paints - Drugs and Pharma	-	-	50	-
Beverages - Others	-	-	49	-
All Engineering - Electronic	-	-	32	-
Commercial Real Estate	-	-	29	-
Basic Metal and Metal Products - Other Metal and Metal Prod	-	-	24	-
Food Processing - Others	-	-	23	-
Petroleum, Coal Products and Nuclear Fuels - Petroleum	-	-	21	-
Other Industries	-	-	19	-
Cement and Cement Products	-	-	11	-
Food Processing - Vegetable Oils and Vanaspati	-	-	6	-
Chemical Dyes Paints - Petro Chemicals	-	-	6	-
Wood Products	-	-	1	-
Infrastructure- Water and Sanitation	-	-	1	-
<b>Total</b>	-	-	<b>2,710</b>	-

Note:

1. Includes entity considered under regulatory scope of consolidation.
2. General provision includes standard asset provision on loans and derivatives including provision on unhedged foreign currency exposure.
3. The above general provision does not includes Enhanced provision on Large borrowers and country risk provision..

#### IV. Table DF-4 - Credit Risk: Standardised approach

The consolidated bank is using issue ratings which are assigned by the accredited rating agencies viz. CRISIL, ICRA, Fitch, India Rating, SMERA and CARE and published in the public domain to assign risk-weights in terms of RBI guidelines for certain exposures. In respect of claims on non-resident corporate/ foreign banks, ratings assigned by international rating agencies i.e. Standard & Poor's, Moody's and Fitch are used. Final ratings applied are in line with the regulatory requirements.

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**Details of Gross Credit Risk Exposure (fund based and non-fund based) after adjusting risk mitigation based on Risk - Weight:**

(Rs. in million)

<b>Particulars</b>	<b>Amount<sup>1</sup></b>
Below 100% risk weight	878,590
100% risk weight	37,770
More than 100% risk weight	303,696
Deducted	-
<b>Total</b>	<b>1,220,056</b>

Note:-1. Includes entity considered under regulatory scope of consolidation.

**V. Table DF-5: Credit Risk Mitigation:**

The Bank has identified Credit Risk Mitigation techniques in its Loan policy which underlines the eligibility requirements for credit risk mitigants for capital computation as per Basel III guidelines. The Bank reduces its credit exposure to counterparty with the value of eligible financial collateral to take account of the risk mitigating effect of the collateral.

To account for the volatility in the value of collateral, haircut is applied based on the type, issuer, maturity, rating and remarking / revaluation frequency of the collateral.

During the year ended September 30, 2024 the Bank has accepted fixed deposits, cash margins and CRM u/s Section 11(2)(b)(i) of the Banking Regulation Act, 1949 considered for the capital benefits in capital adequacy calculations as per the RBI guidelines. These are considered at net realizable value. The Bank has also accepted current assets / fixed assets / bonds / Standby Letters of Credit (SBLC)/ Guarantees as collateral during the current year but the same is not considered for capital benefits. The Bank does not perceive any market, liquidity or concentration risk arising out of such collaterals.

**Details of Credit Exposure**

(Rs. in million)

<b>Covered by:</b>	<b>Amount<sup>1</sup></b>
- Eligible Financial collaterals after application of haircuts	197,298
- Guarantees	-
<b>Total</b>	<b>197,298</b>

Note:-

1. Includes entity considered under regulatory scope of consolidation.

**VI. Table DF-6: Securitisation Exposures:**

The Firm has a framework for identification and treatment of traditional and synthetic securitisations; which may reside on balance sheet in the form of a financing, or off balance sheet in the form of a special purpose vehicle (SPV). Consistent with treatment of the underlying assets, the Firm would apply the advanced approaches for non-trading book related securitisations for its corporate reporting and the standardised approach for its local capital reporting.

Locally, the credit policy of the bank, which has been approved by the Management Committee permits securitisation of existing loan portfolio. As per the policy, the bank can sell its existing loans for freeing capital and overall portfolio management, in accordance with the RBI guidelines on Securitisation of Standard Assets.

As on September 30, 2024 there are ten outstanding investment in securitized paper issued by SPVs of other banks/NBFCs in the books of the Consolidated Bank. The Consolidated Bank participates in securitization of portfolios by NBFCs on a selective basis. All decisions to participate in a

securitization undergo the same level of credit and other risk due diligence as any other similar exposure would be subject to.

#### Details of securitisation exposures in the Banking and Trading Book:

Banking Book	55,620
Trading Book	NIL

Securitisation exposures retained/purchased\*

(Rs. in million)

Nature	Exposure Type	Exposure <sup>1</sup>
On Balance Sheet	Vehicle/ Auto Loans	55,620
Off Balance Sheet		-
		<b>55,620</b>

Risk weight bands breakup of securitisation exposures retained or purchased

(Rs. in million)

Risk Bands	Exposure <sup>1</sup>	RWA <sup>1</sup>
<100% risk weight	55,620	11,350
=100% risk weight	-	-
>100% risk weight	-	-
<b>Total</b>	<b>55,620</b>	<b>11,350</b>

Note :-

1. Includes entity considered under regulatory scope of consolidation.
2. \* Securitisation exposures represent PTCs purchased in case of third party originated Securitisation transactions.

## VII. Table DF-7: Market Risk

### Market risk management

Market risk is the risk associated with the effect of changes in market factors such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term. The firm, through its LOBs, may be exposed to market risk as a result of various financial activities, including trading, funding, underwriting and investing.

JPMCB India's Management Committee has delegated their responsibility for governing the market risk management structure to the India Risk Committee (IRC). JPMCB India's Chief Risk Officer (CRO) is responsible for establishing effective market risk governance. The IRC and the CRO delegate responsibility to Market Risk (MR), who are responsible for establishing an appropriate market risk management framework to measure, monitor and control market risk.

Market risk limits are employed as the primary control to align the bank's market risk activities with the risk appetite as referenced in the firm wide Market Risk Management policy.

(Rs. in million)

Quantitative Disclosure	Amount <sup>1</sup>
<b>Capital requirements for</b>	
Interest rate risk	33,396
Equity position risk	-
Foreign exchange risk	2,475
<b>Total</b>	<b>35,871</b>

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**Note :-**

1. Includes entity considered under regulatory scope of consolidation.

**VIII. Operational risk*****Operational Risk***

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes or systems; human factors; or external events impacting the Firm's processes or systems. Operational Risk includes cybersecurity, compliance, conduct, legal, and estimations and model risk. Operational Risk is inherent in the Firm's activities and can manifest itself in various ways, including fraudulent acts, business disruptions (including those caused by extraordinary events beyond the Firm's control), cyber-attacks, inappropriate employee behavior, failure to comply with applicable laws, rules and regulations or failure of vendors or other third party providers to perform in accordance with their agreements. Operational Risk Management attempts to manage operational risk at appropriate levels in light of the Firm's financial position, the characteristics of its businesses, and the markets and regulatory environments in which it operates.

**Operational Risk Management Framework**

The Firm's Compliance, Conduct, and Operational Risk ("CCOR") Management Framework is designed to enable the Firm to govern, identify, measure, monitor and test, manage and report on the Firm's operational risk.

**Operational Risk Governance**

The lines of business (LOBs) and Corporate are responsible for the management of operational risk. The Control Management Organization, which consists of control managers within each LOB and Corporate, is responsible for the day-to-day execution of the CCOR Management Framework.

The Firm's Global Chief Compliance Officer ("CCO") and Firmwide Risk Executive ("FRE") for Operational Risk and Qualitative Risk Appetite is responsible for defining the CCOR Management Framework and establishing minimum standards for its execution. The LOB and Corporate aligned CCOR Lead Officer reports to the Global CCO and FRE for Operational Risk and Qualitative Risk Appetite and are independent of the respective businesses or functions they oversee.

The CCOR Management Framework is included in the Firm's Risk Governance and Oversight Policy that is reviewed and approved by the Firm's Board Risk Committee periodically.

**Operational Risk Identification**

The Firm utilizes a structured risk and control self-assessment process that is executed by the LOBs and Corporate. As part of this process, the LOBs and Corporate evaluate the effectiveness of their respective control environment to assess where controls have failed, and to determine where remediation efforts may be required. The Firm's Operational Risk and Compliance organization ("Operational Risk and Compliance") provides oversight of and challenge to these evaluations and may also perform independent assessments of significant operational risk events and area of concentrated or emerging risk.

**Operational Risk Measurement**

As required by the Reserve Bank of India, the Bank (India Branch) follows the Basic Indicator Approach to compute capital requirements for operational risk. The Bank conducts operational risk scenario analysis to assess whether capital is sufficient and the results are documented in the annual Internal Capital Adequacy Assessment Process (ICAAP). These calculations are reviewed and approved by the India Risk Committee ("IRC") on an annual basis

## **Operational Risk Monitoring and Testing**

The results of risk assessments performed by Operational Risk and Compliance are used in connection with their independent monitoring and testing compliance of the LOBs and Corporate's laws, rules and regulations. Through monitoring and testing, Operational Risk and Compliance independently identify areas of heightened operational risk and tests the effectiveness of controls within the LOBs and Corporate.

## **Management of Operational Risk**

The operational risk areas or issues identified through monitoring and testing are escalated to the LOBs and Corporate to be remediated through action plans, as needed, to mitigate operational risk. Operational Risk and Compliance may advise the LOBs and Corporate in the development and implementation of action plans.

## **Operational Risk Reporting**

All employees of the Firm are expected to escalate risks appropriately. Risks identified by Operational Risk and Compliance are escalated to the appropriate LOB and Corporate Control Committees, as needed. Operational Risk and Compliance has established standards to ensure that consistent operational risk reporting and operational risk reports are produced on a Firmwide basis as well as by LOBs and Corporate. Reporting includes the evaluation of key risk and performance indicators against established thresholds as well as the assessment of different types of operational risk against stated risk appetite. The standards reinforce escalation protocols to senior management and to the Firm's Board of Directors.

## **Subcategories of operational risks**

### **War in Ukraine and Sanctions**

In response to the war in Ukraine, numerous financial and economic sanctions have been imposed on Russia and Russia-associated entities and individuals by various governments around the world, including the authorities in the U.S., U.K. and EU. These sanctions are complex and continue to evolve. The Firm continues to face increased operational risk associated with addressing these complex compliance-related matters. To manage this increased risk, the Firm has implemented controls reasonably designed to mitigate the risk of non-compliance and to prevent dealing with sanctioned persons or in property subject to sanctions, as well as to block or restrict payments as required by the applicable regulations

### **Cybersecurity risk**

Cybersecurity risk is the risk of the Firm's exposure to harm or loss resulting from misuse or abuse of technology by malicious actors. Cybersecurity risk is an important and continuously evolving focus for the Firm. Significant resources are devoted to protecting and enhancing the security of computer systems, software, networks, storage devices, and other technology assets. The Firm's security efforts are designed to protect against, among other things, cybersecurity attacks by unauthorized parties attempting to obtain access to confidential information, destroy data, disrupt or degrade service, sabotage systems or cause other damage.

The Firm has experienced, and expects that it will continue to experience, a higher volume and complexity of cyber attacks against the backdrop of heightened geopolitical tensions. The Firm has implemented precautionary measures and controls reasonably designed to address this increased risk, such as enhanced threat monitoring. There can be no assurance that the measures taken by the Firm will be successful in defending against cyber-attacks.

Ongoing business expansions may expose the Firm to potential new threats as well as expanded regulatory scrutiny including the introduction of new cybersecurity requirements. The Firm continues to make significant investments in enhancing its cyber-defense capabilities and to strengthen its partnerships with the appropriate government and law enforcement agencies and other businesses in order to understand the full spectrum of cybersecurity risks in the operating environment, enhance defences and improve resiliency against cybersecurity threats. The Firm actively participates in discussions and simulations of cybersecurity risks both internally and with law enforcement, government officials, peer and industry groups, and has significantly increased efforts to educate employees and certain clients on the topic of cybersecurity risks.

Third parties with which the Firm does business or that facilitate the Firm's business activities (e.g., vendors, supply chain, exchanges, clearing houses, central depositories, and financial intermediaries) could also be sources of cybersecurity risk to the Firm. Third party cybersecurity incidents such as system breakdowns or failures, misconduct by the employees of such parties, or cyber-attacks, including ransomware and supply-chain compromises, could affect their ability to deliver a product or service to the Firm or result in lost or compromised information of the Firm or its clients. Clients are also sources of cybersecurity risk to the Firm and its information assets, particularly when their activities and systems are beyond the Firm's own security and control systems. As a result, the Firm engages in regular and ongoing discussions with certain vendors and clients regarding cybersecurity risks and opportunities to improve security. However, where cybersecurity incidents occur as a result of client failures to maintain the security of their own systems and processes, clients are responsible for losses incurred.

To help safeguard the confidentiality, integrity and availability of the Firm's infrastructure, resources and information, the Firm maintains an Information Security Program designed to prevent, detect, and respond to cyberattacks. The Board of Directors is periodically provided with updates on the Firm's Information Security Program, recommended changes, cybersecurity policies and practices, ongoing efforts to improve security, as well as its efforts regarding significant cybersecurity events. In addition, the Firm has a cybersecurity incident response plan ("IRP") designed to enable the Firm to respond to attempted cybersecurity incidents, coordinate such responses with law enforcement and other government agencies, and notify clients and customers. Among other key focus areas, the IRP is designed to mitigate the risk of insider trading connected to a cybersecurity incident and includes various escalation points.

The Global Cybersecurity and Technology Controls organization, working with each of the Firm's LOBs and Corporate, is responsible for identifying technology and cybersecurity risks and is responsible for the controls to manage threats. The organization consists of business aligned information security personnel that are supported within the organization by the following products and services that execute the Information Security Program for the Firm:

- Cyber Operations
- Identity & Access Management
- Governance, Risks & Controls
- Global Technology Product Security

The Global Cybersecurity and Technology Control governance structure is designed to identify, escalate, and mitigate information security risks. This structure uses key governance forums to disseminate information and monitor technology efforts. These forums are established at multiple

levels throughout the Firm. The forums are used to escalate information security risks or other matters as appropriate.

The Information Security Risk Management function provides oversight of the activities designed to identify, assess, measure and mitigate cybersecurity risk.

The Firm's Security Awareness Program includes training that reinforces the Firm's Information Technology Risk and Security Management policies, standards and practices, as well as the expectation that employees comply with these policies. The Security Awareness Program engages personnel through training on how to identify potential cybersecurity risks and protect the Firm's resources and information. This training is mandatory for all employees globally on a periodic basis, and it is supplemented by Firmwide testing initiatives, including periodic phishing tests. The Firm provides specialized security training for certain employee roles such as application developers. Finally, the Firm's Global Privacy Program requires all employees to take periodic awareness training on data privacy. This privacy-focused training includes information about confidentiality and security, as well as responding to unauthorized access to or use of information.

### **Business and Technology Resiliency Risk**

Disruptions can occur due to forces beyond the Firm's control such as the spread of infectious diseases or pandemics, severe weather, power or telecommunications loss, failure of a third party to provide expected services, cyberattacks and terrorism. The Firmwide Business Resiliency program is designed to enable the Firm to prepare for, adapt to, withstand and recover from business disruptions including occurrence of an extraordinary event beyond its control that may impact critical business functions and supporting assets (i.e., staff, technology, facilities and third parties). The program includes governance, awareness training, planning and testing of recovery strategies, as well as strategic and tactical initiatives to identify, assess, and manage business interruption and public safety risks.

### **Payment fraud risk**

Payment fraud risk is the risk of external and internal parties unlawfully obtaining personal monetary benefit through misdirected or otherwise improper payment. The Firm employs various controls for managing payment fraud risk as well as providing employee and client education and awareness trainings.

### **Third-party outsourcing risk**

The Firm's Third-Party Oversight ("TPO") and Inter-affiliates Oversight ("IAO") framework assist the LOBs and Corporate in selecting, documenting, onboarding, monitoring and managing their supplier relationships including services provided by affiliates. The objectives of the TPO framework are to hold suppliers and other third parties to a high level of operational performance and to mitigate key risks, including data loss and business disruption. The Corporate Third-Party Oversight group is responsible for Firmwide training, monitoring, reporting and standards.

## **Local Risk Governance**

The Management Committee (“MANCOM”), India Risk Committee (“IRC”) and Location Operating Committee (“LOC”) are comprised of members of senior management team and consider all developments/ impacts related to entities comprised in the Consolidated Bank in discharging their responsibilities effectively. The Committee members represent the various lines of business and the relevant functional units supporting the business.

The ‘MANCOM’ review business, operational and financial matters, as well as risk management. The ‘IRC’ is responsible for the overall risk management. The committee meets on a regular basis to discuss risk related topics including operational risk metrics and thematic issues. The issues discussed, in the IRC are subsequently presented to the MANCOM based on significance. The India Location Operating Committee (LOC) is chaired by the Senior Country Business Manager (“SCBM”) of the Consolidated Bank and is responsible for the oversight and control of operational risk. LOC meetings are held monthly. The India LOC provides oversight to ensure operational risk policies are adhered to, appropriate controls to manage and mitigate operational and compliance risks are in place across the Consolidated Bank. Key matters pertaining to regulatory compliance, processing and technology control, AML, compliance, operational risk and controls and on-going governance of outsourced activities are discussed in the LOC meeting

The Consolidated Bank closely monitors capacity limit for handling transaction in each operations area. The respective unit’s Operation Managers are responsible for escalating to their line managers and if there is any capacity constraint. Material changes in the Operational Risk profile are assessed through a due diligence review and/or are subject to the New Business Initiative Approval process. Staff knowledge of internal policies, systems and procedures, and the regulations is maintained through regular training. Business Continuity Plans are documented to reflect the current production environment and tested annually.

Material operational Loss events are recorded in the Firm’s Operational Risk Event database. Event summaries are reported to the LOC for review on a regular basis and material events are presented to MANCOM and IRC.

## **Cybersecurity and Technology Controls**

The organizational framework required for implementation of RBI guidelines/circulars is in place within the Bank. The Bank also has a comprehensive Technology Control Policy framework supplemented by standards and procedures that are implemented across the Bank.

## **IX. Interest rate risk in the Bank**

Interest rate risk is the risk to earnings or economic value arising from movement of interest rates. It arises from:

- Differences between the timing of rate changes and the timing of cash flows (repricing risk);
- Changing rate relationships among yield curves that affect bank activities (basis risk);
- Changing rate relationships across the spectrum of maturities (yield curve risk); and
- Interest-rate-related options embedded in banking products (option risk).

For JPMCB India, we have considered that interest rate risk in the banking book could arise from lending and deposit taking activities of the Bank, as well as from interbank money market takings and placings and repo positions managed by Treasury/Chief Investment Office and for the purposes of managing the funding and/or structural interest rate risk positions of the Bank. Banking book interest rate risk is transferred from the operating businesses to Treasury/Chief Investment Office.

The India Risk Committee has approved the JPMCB SIRR Framework as the governance document for Structural Interest Rate Risk in the Banking Book.

The primary metrics used to measure Bank's IRR exposure are:

- **Economic Value Sensitivity (EVS)**, which determines changes in Economic Value of Equity (EVE) due to changes in interest rates. MVE sums the present value of expected future cash flows across JPMCB India's balance sheet and is measured by the following metrics.

**1. Economic Value of Equity (EVE)**

The Bank's internal model for EVS measures the change in EVE under BCBS prescribed six parallel and non-parallel interest rate shock scenarios. The Bank has set an internal limit to monitor the impact of six BCBS shocks on EVS/Equity ratio, which is approved by the India Risk Committee.

**2. Market Value of Equity (MVE)**

The Bank carries out Duration Gap Analysis (DGA) to measure the level of a bank's exposure to interest rate risk in terms of sensitivity of Market Value of its Equity (MVE) to interest rate movements (Parallel Interest rate shocks of 100bp, 200bp, and 300bp). The Bank has also set an appropriate internal limit on MVE based on Parallel rate shock of 200bp, which is approved by the India Risk Committee.

**3. Quarterly Stress testing**

The Bank also conducts quarterly stress testing on Interest Rate Risk in the Banking book as laid down in the RBI guidelines on stress testing issued vide RBI/2013-14/390 DBOD.BP.BC.No. 75 /21.04.103/2013-14, dated December 2, 2013. The results of the stress test are monitored in the India Risk Committee and submitted as part of the Risk Based Supervision (RBS) Tranche 1 data. The India Risk Committee has also set up appropriate limits to monitor the worst stress loss in the Banking Book.

- **Earnings at Risk (EaR)**, which measures the extent to which changes in interest rates will affect JPMCB India's net interest income (NII) over the following 12 months period and is measured by the following metrics.

**1. Traditional Gap Analysis (TGA)**

The focus of the TGA is to measure the level of a bank's exposure to interest rate risk in terms of sensitivity of its NII to interest rate movements over the horizon of analysis which is usually one year. The bank has also set internal thresholds (cumulative gap) on the first four time buckets for the TGA gaps (1-28 days, 29 days-3 months, 3 months-6 months, 6 months-1 year) as outlined in the circular, approved by the India Risk Committee.

## 2. Earnings at Risk (EAR)

Earnings at Risk (EaR) is the sensitivity of NII to changes in interest rates over the next 12 months compared to a base scenario. EaR scenarios consider changes in interest rates from baseline rates and certain assumptions including the pricing sensitivities of deposits and changes in product mix.

### a. Internal EAR Model:

The bank's internal model on EAR computation models expected cash flows (including commercial margins and other spread components) arising from all interest rate-sensitive assets, liabilities and off-balance sheet items in the banking book. The Base NII is computed based on the runoff profiles of the current balances assuming a constant balance sheet projection. The EAR (Change in NII) is estimated as the difference in future interest income over a rolling 12-month period in response to change in market interest rates.

The interest rate scenarios used to calculate EAR for JPMCB India are parallel up and down shocks of +/- 200 bps; and the BCBS parallel up and down shocks (Parallel up and down shocks of +/- 400bps). The Bank has set an Internal limit to monitor the impact of parallel shocks (+/-200 bps) on the Earnings at Risk, which is approved by the India Risk Committee.

### b. RBI EAR Model (Based on TGA):

In addition, the Bank also computes EAR based on the TGA report. For the purpose of such computation, the bank considers all cash-flows bucketed in the first four buckets, upto a 12 month period. A parallel shock of 200 bps is applied to the cash-flows for the remainder of the 12-month period.

- **Basis Risk**, which arises from changing rate relationships among yield curves that affect bank activities. It attempts to measure the impact of an interest rate shock on balance sheet assets and liabilities which are priced off different interest rate indices. The contribution of various interest rate curves to the underlying RBI prescribed EAR measure will be measured by grouping assets & liabilities into their respective Interest rate index category and subjecting each category to a 200bp rate shock separately.

## X. Liquidity Risk

The Firmwide Liquidity Risk Management Policy, Local Policy and the Firmwide Liquidity Risk Limits & Indicators Policy are in place.

The Bank's internal stress coverage ratio and regulatory required Liquidity Coverage Ratio (LCR) and RBI prescribed stress tests are healthy. The Firmwide Liquidity Risk Management Policy is well-defined with clear roles and responsibilities. There are regular and frequent communication flows between local Treasurers, Liquidity Management and Liquidity Risk Management.

Liquidity Risk Management Policy is in place and is subject to annual review to ensure any changes in governance, framework and/or in business practices are properly reflected in the policy. As part of the contingency funding planning process, continuous assessment of a range of funding stress scenarios are done to ensure liquidity sources available to the Bank are sufficient to take care of its cash flow requirements. These stress tests are reviewed by ALCO and IRC on a regular basis and provide a gauge of potential liquidity risks under the assumption of restricted access to liquidity. The details of Contingency Funding Plan (CFP) are periodically reviewed by the local Treasury/CIO and local ALCO and APAC Treasurer.

## XI. Table DF-10: General Disclosures for Exposures Related to Counterparty Credit Risk

Counterparty Credit Risk (CCR) Limits for the banking counterparties are assessed based on an internal methodology. In all cases, CCR limit is approved based on credit assessment process followed by the Bank as per the Credit Policy and Credit Guidelines Document. CCR limits are set on the amount and tenor while fixing the limits to respective counterparties. Capital for CCR exposure is assessed based on Standardised Approach.

The Bank uses Credit Support Agreement (CSA) as a credit risk mitigant while dealing with select counterparties. CSA defines the terms or rules under which collateral is posted or transferred between derivative counterparties to mitigate the credit risk arising from "in the money" derivative positions on OTC Derivative contracts.

Below is the derivative exposure calculated based on Current Exposure Method (CEM) as on September 30, 2024 is given below.

(Rs. in million)

Particulars	Amount <sup>1</sup>	
	Notionals	Current Exposure
Forward Contracts	5,957,730	186,752
Currency Options	1,853,125	53,498
Interest Rate Swaps	9,060,553	120,346
Currency Swaps	649,893	81,850
Forward Rate Agreements	588,301	6,169
<b>Total</b>	<b>18,109,602</b>	<b>448,615</b>

Notes :-

1. Includes entity considered under regulatory scope of consolidation.
2. The above numbers are reflected on gross basis without considering the impact of bilateral netting

Derivative exposure calculated after considering the impact of bilateral netting as on September 30, 2024 is given below:

(Rs. in million)

Particulars*	30-September-2024
Gross positive fair value of contracts	86,857
Netting benefits	(48,586)
Netted current credit exposure	38,271
Collateral held ( Cash held under Credit Support Annex)	(7,797)
Net derivative credit exposure	30,474
Potential future exposure	257,950
Measures for exposure at default or exposure amount under CEM	288,424
The notional value of credit derivative hedges	-

## XII Other Risks

The Bank also assesses other risks such as Reputational, Strategic risks, Valuation practices, Stress test practices, Sound compensation policies, Estimation & model risk, Climate, Compliance, Group,

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Human Capital and additional capital requirements, if any, to cover for such risks. The assessment is covered in the ICAAP process.

The ICAAP encompasses Management's assessment of material risks and their governance, measurement and mitigants.

There is no add-on capital required to be maintained based on the Pillar 2 assessment for any of the Risks. However, it should be noted that capital may not always be the appropriate risk mitigant for all risks and reliance is placed on the controls and governance framework as detailed in each of the risks identified.

## XII. Table DF-11 : Composition of Capital

			(Rs. in million)
			Ref No.
<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	94,105	a1+a2+b2
2	Retained earnings	103,604	c1+d1
3	Accumulated other comprehensive income (and other reserves)	49,015	b4+c3
4	<i>Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)</i>	-	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>246,724</b>	
<b>Common Equity Tier 1 capital : regulatory adjustments</b>			
7	Prudential valuation adjustments	1,480	
8	Goodwill (net of related tax liability)	-	
9	Intangibles (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	-	
15	Defined-benefit pension fund net assets	-	
16	Investments in own shares (if not already netted off paid-up 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 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 : Unamortised pension funds expenditures	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	<b>Total regulatory adjustments to Common equity Tier 1</b>	<b>1,480</b>	
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>245,244</b>	
<b>Additional Tier 1 capital : instruments</b>			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (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 issued by subsidiaries subject to phase out	-	
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	-	
<b>Additional Tier 1 capital: regulatory adjustments</b>			
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	of which: Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-	

41b	of which: 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	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	-	
44	<b>Additional Tier 1 capital (AT1)</b>	-	
45	<b>Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44)</b>	<b>245,244</b>	
<b>Tier 2 capital : instruments and provisions</b>			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus*	-	
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 & Reserves	21,701	c2+c4
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>21,701</b>	
<b>Tier 2 capital: regulatory adjustments</b>			
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 insurance subsidiaries	-	
56b	of which : Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-	
57	<b>Total regulatory adjustments to Tier 2 capital</b>	-	
58	<b>Tier 2 capital (T2)</b>	<b>21,701</b>	
59	<b>Total capital (TC = T1 + T2) (45 + 58)</b>	<b>266,945</b>	
60	<b>Total risk weighted assets (60a + 60b + 60c)</b>	<b>951,783</b>	
60a	of which : total credit risk weighted assets	607,166	
60b	of which : total market risk weighted assets	224,194	
60c	of which : total operational risk weighted assets	120,423	
<b>Capital ratios and Buffers</b>			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	25.77%	
62	Tier 1 (as a percentage of risk weighted assets)	25.77%	
63	Total capital (as a percentage of risk weighted assets)	28.05%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and	11.5%	

	countercyclical buffer requirements, expressed as a percentage of risk weighted assets) and G SIB buffer requirement		
65	of which : capital conservation buffer requirement	2.5%	
66	of which : bank specific countercyclical buffer requirement	-	
67	of which : G-SIB buffer requirement	4.50%	
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) Includes Capital Conservation Buffer and G SIB buffer requirement	16.00%	
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72	Non-significant investments in the capital of other financial entities	Nil	
73	Significant investments in the common stock of financial entities	Nil	
74	Mortgage servicing rights (net of related tax liability)	Nil	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	Nil	
<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)	21,701	c2+c4
77	Cap on inclusion of provisions in Tier 2 under standardised approach^	7,590	60a*1.25%
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	Nil	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	Nil	

\* This pertains to cumulative convertible Preference Share for JPMSI and JPMIPL as per the extent RBI guidelines. This has been accounted as 'compounded financial instrument' as per IND AS.

^ The cap is not applicable to Investment Fluctuation Reserve as per the RBI guidelines.

<b>Notes to the template</b>		
(Rs. in million)		
<b>Row No. of the template</b>	<b>Particular</b>	<b>Amount</b>
10	Deferred tax assets associated with accumulated losses	-
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	989
	Total as indicated in row 10	989
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		21,701
	Eligible Revaluation Reserves included in Tier 2 capital		-
	Total of row 50		21,701
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)		-

### XIII. Table DF-12 : Composition of Capital- Reconciliation Requirements

(Rs. in million)			
Step 1		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 30-Sep-2024	As on 30-Sep-2024
<b>A</b>	<b>Capital &amp; Liabilities</b>		
i.	Paid-up Capital	65,703	70,969
	Reserves & Surplus	162,537	251,155
	Minority Interest	-	-
	<b>Total Capital</b>	<b>228,240</b>	<b>322,124</b>
ii.	Deposits	<b>829,630</b>	<b>802,594</b>
	<i>of which</i> : Deposits from banks	769	769
	<i>of which</i> : Customer deposits	828,861	801,825
	<i>of which</i> : Other deposits (pl. specify)	-	-
iii.	Borrowings	<b>128,771</b>	<b>129,421</b>
	<i>of which</i> : From RBI	-	-
	<i>of which</i> : From banks	10,832	10,832
	<i>of which</i> : From other institutions & agencies	117,939	118,589
	<i>of which</i> : Others (pl. specify)	-	-
iv.	Other liabilities & provisions	185,118	264,556
	<b>Total</b>	<b>1,371,759</b>	<b>1,518,695</b>
<b>B</b>			
i.	Cash and balances with Reserve Bank of India	<b>67,896</b>	<b>67,896</b>
	Balance with banks and money at call and short notice	<b>68,616</b>	<b>160,438</b>
ii.	Investments :	<b>933,340</b>	<b>971,607</b>
	<i>of which</i> : Government securities	846,050	846,050
	<i>of which</i> : Other approved securities	-	-

	of which : Shares	2,611	2,774
	of which : Debentures & Bonds	-	35,683
	of which : Subsidiaries / Joint Ventures / Associates	-	-
	of which : Others (Certificate of Deposits and Pass Through Certificates)	84,679	87,100
iii.	Loans and advances	<b>147,985</b>	<b>150,986</b>
	of which : Loans and advances to banks	41	41
	of which : Loans and advances to customers	147,944	150,945
iv.	Fixed assets	<b>593</b>	<b>959</b>
v.	Other assets	<b>153,329</b>	<b>166,809</b>
	of which : Goodwill and intangible assets	-	-
	of which : Deferred tax assets	614	989
vi.	Goodwill on consolidation	-	-
vii.	Debit balance in Profit & Loss account	-	-
	<b>Total Assets</b>	<b>1,371,759</b>	<b>1,518,695</b>

		(Rs. in million)		
Step 2		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Reference No.
		As on 30-Sep-2024	As on 30-Sep-2024	
A	Capital & Liabilities			
i.	<b>Paid-up Capital</b>	<b>65,703</b>	<b>70,969</b>	
	of which:			
	Funds from HO	65,703	65,703	a1
	Equity Share Capital	-	5,266	a2
	Preference Share capital	-	-	a3
	<b>Reserves &amp; Surplus</b>	<b>162,537</b>	<b>251,155</b>	
	of which :			
	<b>Share Premium</b>	-	23,136	<b>b1</b>
	Equity Share Premium	-	23,136	b2
	Preference Share Premium	-	-	b3
	Statutory Reserves	44,332	47,811	b4
	Other Revenue Reserves	<b>63,383</b>	<b>63,517</b>	
	of which:			
	<i>Retention of Rem. Sur</i>	44,683	44,683	c1
	<i>Investment Reserve Account / Investment Fluctuation Reserve</i>	18,700	18,700	c2
	<i>General Reserve (JPMSI)</i>	-	24	c3
	<i>General Reserve (JPMIPL)</i>	-	110	
	Surplus- Unallocated & Carried Over	24,060	24,060	
	Operating Surplus (in current year)	23,157	23,157	
	Operating Surplus (JPMSI & JPMIPL including OCI)	-	58,921	d1
	Minority Interest	-	-	
	Other Reserves	7,605	10,553	
	<b>Total Capital</b>	<b>228,240</b>	<b>322,124</b>	
ii.	<b>Deposits</b>	<b>829,630</b>	<b>802,594</b>	
	of which : Deposits from banks	769	769	
	of which : Customer deposits	828,861	801,825	

	of which : Other deposits (pl. specify)	-	-	
iii.	<b>Borrowings</b>	<b>128,771</b>	<b>129,421</b>	
	of which : From RBI	-	-	
	of which : From banks	10,832	10,832	
	of which : From other institutions & agencies, corporates	117,939	118,589	
iv.	<b>Other liabilities &amp; provisions</b>	<b>185,118</b>	<b>264,556</b>	
	of which:			
	General Provisions and loss Reserves	2,930	3,001	c4
	<b>Total</b>	<b>1,371,759</b>	<b>1,518,695</b>	
<b>B</b>	<b>Assets</b>			
i.	Cash and balances with Reserve Bank of India	67,896	67,896	
	Balance with banks and money at call and short notice	68,616	160,438	
ii.	<b>Investments :</b>	<b>933,340</b>	<b>971,607</b>	
	of which : Government securities	846,050	846,050	
	of which : Other approved securities	-	-	
	of which : Shares	2,611	2,774	
	of which : Debentures & Bonds	-	35,683	
	of which : Subsidiaries / Joint Ventures / Associates	-	-	
	of which : Others (Commercial Papers, Mutual Funds etc.)	84,679	87,100	
iii.	Loans and advances (Net)	<b>147,985</b>	<b>150,986</b>	
	of which : Loans and advances to banks (Gross)	41	41	
	of which : Loans and advances to customers (Gross)	147,944	150,945	
	Less : Provision on Loans	-	-	
iv.	Fixed assets	<b>593</b>	<b>959</b>	
v.	Other assets	<b>153,329</b>	<b>166,809</b>	
	of which : Goodwill and intangible assets	-	-	
	of which : Deferred tax assets	614	989	
vi.	Goodwill on consolidation	-	-	
vii.	Debit balance in Profit & Loss account	-	-	
	<b>Total Assets</b>	<b>1,371,759</b>	<b>1,518,695</b>	

#### XIV. Main Features of Regulatory Capital Instruments

##### A. The Main Features of Equity Capital (Common Equity Tier 1) are given below\*:

S No.	Particulars	Equity	
1	Issuer	J.P. Morgan Securities India Private Limited	
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N.A. (As securities are not marketable)	
3	Governing law(s) of the instrument	Indian Laws	
	<b>Regulatory treatment</b>		
4	Transitional Basel III rules	Common Equity Tier 1	
5	Post-transitional Basel III rules	Common Equity Tier 1	
6	Eligible at solo / group / group & solo	Solo and Group	
7	Instrument type	Common Shares	
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	4,330	
9	Par value of instrument	Rs 10/-	
10	Accounting classification	Shareholders' equity	
11	Original date of issuance	Date of Issuance	Number of Shares issued
		15-Oct-1998	85,000,000 shares
		28-Dec-2004	400 shares
		22-Jun-2007	90,000,000 shares
		18-Mar-2010	10,000 shares
		13-Mar-2019	279,228,887 shares
		21-Mar-2024	1,72,41,379 shares
		<b>Total</b>	<b>450,230,666 shares*</b>
	* 21,250,000 equity shares were reduced and cancelled.		
12	Perpetual or dated	Perpetual	
13	Original maturity date	no maturity	
14	Issuer call subject to prior supervisory approval	No	
15	Optional call date, contingent call dates and redemption amount	NA	
16	Subsequent call dates, if applicable	NA	
	<b>Coupons / dividends</b>		
17	Fixed or floating dividend / coupon	Floating	
18	Coupon rate and any related index	NA	
19	Existence of a dividend stopper	No	
20	Fully discretionary, partially discretionary or mandatory	fully discretionary	
21	Existence of step up or other incentive to redeem	No	
22	Noncumulative or cumulative	Noncumulative	
23	Convertible or non-convertible	Nonconvertible	
24	If convertible, conversion trigger(s)	NA	
25	If convertible, fully or partially	NA	
26	If convertible, conversion rate	NA	
27	If convertible, mandatory or optional conversion	NA	
28	If convertible, specify instrument type convertible into	NA	

29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	NA
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA

\*The Bank does not have equity share capital.

Sr. No.	Particulars	Equity	
1	Issuer	J.P. Morgan India Private Limited	
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N.A. (As securities are not marketable)	
3	Governing law(s) of the instrument	Indian Laws	
	<b>Regulatory treatment</b>		
4	Transitional Basel III rules	Common Equity Tier 1	
5	Post-transitional Basel III rules	Common Equity Tier 1	
6	Eligible at solo / group / group & solo	Solo and Group	
7	Instrument type	Common Shares	
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	758	
9	Par value of instrument	Rs 10/-	
10	Accounting classification	Shareholders' equity	
11	Original date of issuance	Date of Issuance	Number of Shares issued
		24-Sep-92	1
		24-Sep-92	1
		5-Mar-93	999,998
		20-May-93	722,670
		23-Jul-93	1,279,251
		14-Jun-94	2,097,097
		20-Jun-94	3,129,747
		22-Feb-95	15,674,749
		28-Mar-95	9,011,546
		5-Sep-95	4,937,259
		5-Sep-95	1,645,753
		5-Dec-95	14,811,777
		5-Dec-95	4,937,259
		31-Jan-96	1,686,770
		31-Jan-96	562,257
		<b>Total Pre-merger paid up capital</b>	<b>61,496,135</b>

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		<b>During Merger</b>
		23-Feb-04 Cancellation of Pulit capital on merger (25% of total paid up capital) (15,374,034)
		23-Feb-04 Issue of fresh capital to parent of Pulit (i.e. Jardine Fleming India Holding Limited (JFIHL)) on account of merger including 20 shares to JP Morgan International Finance Limited as nominee of JFIHL 26,893,327
		<b>Post-merger paid up capital</b> 73,015,428
		30-Mar-15 2,840,000
		12-Aug-24 507,020 ( Conversion of Preference shares into equity)
		<b>Total</b> 76,362,448 shares*
		*Equity shares cancelled and issued during Merger are described above.
12	Perpetual or dated	Perpetual
13	Original maturity date	no maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	NA
16	Subsequent call dates, if applicable	NA
	<b>Coupons / dividends</b>	
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	NA
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA

34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	NA
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA

## XV. Main Features of Regulatory Capital Instruments

<b>Table DF-14 : Full Terms and Conditions of Regulatory Capital Instruments</b>	
<b>Instruments</b>	<b>Full Terms and Conditions</b>
<b>J.P. Morgan Securities India Private Limited</b>	
<b>Equity Share Capital</b>	The Company has one class of equity shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
<b>J.P. Morgan India Private Limited</b>	
<b>Equity Share Capital</b>	The Company has one class of equity shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## XVI. Disclosure Requirement 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 of the home country.

## XVII. Equities – Disclosure for Banking Book Positions

The Bank does not hold any equity position in the Banking book.

### XVIII. Leverage Ratio

The Basel III leverage ratio is defined as the capital measure (Tier-1 capital of the risk based capital framework) divided by the exposure measure. The Bank is required to maintain a minimum leverage ratio of 3.5%. As per RBI guidelines, disclosures required for leverage ratio for the Bank at the consolidated level at September 30, 2024 (including prior quarters) are as follows:

(Rs. in million)

Particulars	As on 30-Sep-2024	As on 30-Jun-2024	As on 31-Mar-2024	As on 31-Dec-2023
Tier 1 Capital	245,244	240,349	238,831	226,662
Exposure Measure	1,801,144	1,740,561	1,701,349	1,531,335
Leverage Ratio	13.62%	13.81%	14.04%	14.80%

#### 1. Leverage ratio common disclosure template

(Rs. in millions)

Particulars	Amount
<b>On-balance sheet exposures</b>	
1. On-balance sheet items (excluding derivatives and SFTs, but including collateral)	1,372,672
2. (Asset amounts deducted in determining Basel III Tier 1 capital)	-
3. Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	1,372,672
<b>Derivative exposures</b>	
4. Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	22,814
5. Add-on amounts for PFE associated with all derivatives transactions	257,950
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)	280,764
<b>Securities financing transaction exposures</b>	
12. Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	59,167
13. (Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14. CCR exposure for SFT assets	539
15. Agent transaction exposures	-
16. Total securities financing transaction exposures (sum of lines 12 to 15)	59,706
<b>Other off-balance sheet exposures</b>	
17. Off-balance sheet exposure at gross notional amount	428,869
18. (Adjustments for conversion to credit equivalent amounts)	(340,867)
19. Off-balance sheet items (sum of lines 17 and 18)	88,002
<b>Capital and total exposures</b>	
20. Tier 1 capital	245,244
21. Total exposures (sum of lines 3, 11, 16 and 19)	1,801,144
<b>Leverage ratio</b>	
<b>22. Basel III leverage ratio (per cent)</b>	<b>13.62%</b>

#### Note :-

1. Includes entity considered under regulatory scope of consolidation

## 2. Summary comparison of accounting assets vs. leverage ratio exposure measure

(Rs. in millions)

Particulars	Amount
<b>1. Total consolidated assets as per published financial statements</b>	<b>1,518,695</b>
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	193,908
5. Adjustment for securities financing transactions (i.e. repos and similar secured lending)	539
6. Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	88,002
7. Other adjustments	-
8. Adjustments for Provision on loans	-
<b>8. Leverage ratio exposure</b>	<b>1,801,144</b>

### Note :-

1. Includes entity considered under regulatory scope of consolidation

## 3. Reconciliation of total published balance sheet size and on balance sheet exposures under common disclosure

(Rs. in millions)

Particulars	Amount
<b>1. Total consolidated assets as per published financial statements</b>	<b>1,518,695</b>
2. Replacement cost associates with all derivative transactions	(86,856)
3. Adjustment for securities financing transactions (i.e. repos and similar secured lending)	(59,167)
4. Other adjustments	-
5. Adjustments for Provision on loans	-
<b>5. On Balance sheet exposure under Leverage ratio (exlcuding derivative and SFTs)</b>	<b>1,372,672</b>

### Note :-

1. Includes entity considered under regulatory scope of consolidation.