

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

The BASEL III- Pillar 3 disclosures contained herein relate to Mashreqbank psc. – India Branch (the “Bank”) for the year ended 31 March 2025. Mashreqbank psc. – India Branch is a branch of Mashreqbank psc, which is incorporated in UAE with limited liability.

DF-1: Scope of application:

Qualitative Disclosures:

These disclosures compiled in accordance with Reserve Bank of India (the “RBI”) regulations on Pillar 3.

- a) List of group entities considered for consolidation as on 31 March 2025:

Not Applicable

- b) List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation as on 31 March 2025

Not Applicable

Quantitative Disclosures:

- c) List of group entities considered for consolidation as on 31 March 2025:

Not Applicable

- d) The aggregate amount of capital deficiencies in all subsidiaries, which are not, included in the regulatory scope of consolidation i.e. that deducted and the name(s) of such subsidiaries.

Not Applicable

- e) The aggregate amount of the Bank’s total interests in insurance entities which are risk-weighted as well as their name, their country of incorporation or residence, principal activity of the entity, total balance sheet equity (as stated in the accounting balance sheet of the legal entity), the proportion of ownership interest and, if different, the proportion of voting power in these entities and quantitative impact on regulatory capital of using risk weighting method versus using the full deduction method.

Not Applicable

- f) Restrictions or impediments on transfer of funds or regulatory capital within the banking group as of 31 March 2025:

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Not Applicable

Capital Structure:

Capital funds are classified into Tier-I and Tier-II capital under the capital adequacy framework.

Qualitative Disclosures:

(a) Summary information and main features of capital instruments of the Bank are given below:

- Tier I Capital: Being a Foreign Bank, the Bank's Tier I Capital consists of interest free deposits received from Head Office, Additional Tier I capital in form of HO Borrowings (to the extent Eligible), Statutory Reserve, Capital Reserve, AFS Reserve, Remittable surplus retained in India for CRAR requirements and Regulatory deductions on account of intangible assets (Software) and Deferred Tax Assets.
- Tier II Capital: Tier II Capital consists of provision for Standard Advances, provision for Country risk exposures, provision for Unhedged Foreign Currency Exposure, General Reserve Account and Investment Fluctuation Reserve account restricted to 1.25% of the total Credit Risk Weighted Assets under the standardized approach.

(b) The details of Tier I & Tier II capital with separate disclosures of each component are as under:

The composition of the capital structure:

₹ in lacs		
Sr. No	Particulars	As at 31 March 2025
A	Total Tier 1 Capital	133,446
A.1	Common Equity Tier 1 (CET I) Capital	127,907
	Of Which	
	- Paid up Capital (Funds from Head Office)	97,754
	- Statutory reserve	10,076
	- Remittable surplus retained in India for CRAR requirements	20,892
	- Capital Reserve	208
	- AFS Investment Reserve	161
	Less: Regulatory Adjustment to CET I (Deferred Tax Asset & Intangible Assets)	1,184
A.2	Additional Tier 1 Capital (in the Form of HO Borrowing)	127,045
		5,539

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B	- Of which admissible as part of Tier 1 Capital	2,100
	Tier 2 Capital	
	Investment Reserve Account, Investment Fluctuation Reserve account, Provision for Standard assets, Unhedged Foreign Currency Exposure and Country exposure (Restricted to 1.25% of the total Credit Risk Weighted Assets under the standardized approach)	
C	Total Regulatory Capital (A+B)	135,546

DF-2: Capital Adequacy:

Qualitative Disclosures:

The Bank is subject to the Capital Adequacy norms as per Master Circular on Basel-III Capital Regulations issued by the Reserve Bank of India ('RBI'). The Basel III capital regulation is being implemented in India from April 1, 2013, in phases and it was fully implemented as on 31 March 2025.

The Bank has a process for assessing its overall capital adequacy in relation to the Bank's risk profile and a strategy for maintaining its capital levels. The process ensures that the Bank has adequate capital to support all the material risks and an appropriate capital cushion. The Bank identifies, assesses and manages comprehensively all risks that it is exposed to through a robust risk management framework, control mechanism and an elaborate process for capital calculation and planning. The Bank has put in place the Internal Capital Adequacy Assessment Process (ICAAP) Policy and the same is reviewed on a regular basis. The Bank's ICAAP covers the capital management policy of the Bank and also sets the process for assessment of the adequacy of capital to support current and future business projections / risks for 3 years. The Bank has a structured process for the identification and evaluation of all risks that the Bank faces, which may have an adverse material impact on its financial position.

ICAAP establishes framework for the Bank to perform a comprehensive assessment of the risk they face and to relate Capital adequacy to these risks. Furthermore, the capital analysis performed by the Bank is expected to encompass all risks, not only those risks captured by Pillar 1- Minimum regulatory capital calculation.

The Bank's stress testing analysis involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible ("stressed") business conditions. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a regular basis on the Bank's on and off- balance sheet exposures to test the impact of Credit risk, Liquidity risk and Interest Rate Risk in the Banking book (IRRBB). The stress test results are put up to the Risk

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Management Committee (RMC) and Asset and Liability Committee (ALCO) wherever applicable, for their review and guidance under the oversight of Management Committee (MANCO). 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 extreme market moves that could arise as a result of market conditions. The stress tests are used in conjunction with the Bank's business plans for the purpose of capital planning in the ICAAP.

As per Basel III guidelines, the minimum capital required to be maintained by the Bank as per Transitional Arrangements for the year ended 31 March 2025 is 11.5 % with minimum Common Equity Tier 1 (CET1) of 8% (including CCB of 2.5%). As at 31 March 2025, the Capital Funds of the Bank is higher than the minimum capital requirement as per Basel III guidelines.

Quantitative Disclosures:

The Bank's capital requirements and capital ratios as of 31 March 2025 are as follows: -

₹ in Lacs

Composition of Capital	As at 31 March 2025
1. Capital requirements for Credit Risk	
- Portfolios subject to Standardized Approach	39,795
- Securitization Exposures	-
2. Capital requirements for Market Risk (Subject to Standardized Duration Approach)	
- Interest rate risk	-
- Foreign exchange risk (including gold)	74
- Equity risk	-
3. Capital requirements for Operational Risk (Subject to Basic Indicator Approach)	2,599
Total Capital Requirements at 11.50% (1+2+3)	42,468
Total Capital	135,546
Common Equity Tier I capital ratio (%)	34.64%
Tier I Capital Adequacy Ratio (%)	36.14%
Total Capital Adequacy Ratio (%)	36.71%

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Risk Exposure and assessment:

The Bank considers the following risks as material risks it is exposed to in the normal course of its business and therefore, factors these while assessing / planning capital:

- Credit Risk
- Market Risk
- Operational Risk
- Liquidity Risk
- Interest Rate Risk in the Banking Book

The Bank's Risk Management policies and procedures are subject to a high degree of oversight and guidance to ensure that all types of risks are systematically identified, measured, analyzed and actively managed. Specific details relating to all major business functions are elaborated in the respective policies and manuals of the Bank, which may be guided by for specific business activities.

Risk Management is the responsibility of every member of the management as well as part of the job of each staff members of the Bank. The objective of Risk Management is to have optimum balance between risk and return. It entails the identification, measurement and management of risks across the various businesses of the Bank. The Head Office has the responsibility for coordination of overall risk management with respect to the business of the India branch of the Bank.

Risk Management framework

The Bank has a separate and independent Risk Management Committee (RMC) in place, which oversees all risks identified by the Bank as material. RMC is primarily responsible for managing the risk emerging from inadequate or failed processes, human factors or external events. The risk monitoring framework is integral to the operations of the Bank. Risks are proactively managed within the Bank. Credit risk at the Bank is approved, controlled and monitored by Head office. Operational, market, liquidity and other related risks are managed and monitored by the Bank under Head Office guidance and support.

DF 3: Credit Risk:

Qualitative Disclosures:

Credit Risk is the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. In a bank's portfolio, credit risk arises mostly from Corporate Banking and Trade Finance activities of the bank, if a borrower is unable to meet his financial obligation to the lender. The goal of credit risk management is to maximize the Bank's risk adjusted rate of return by maintaining credit-risk exposures within acceptable parameters. The bank negotiates Bills under LCs of other banks, lends to

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corporates in its funded advances, confirms and issues Letters of Credit and Guarantees in its non-funded assets.

The Bank adopts the definition of 'past due' and 'impaired credits' (for accounting purposes) as defined by Reserve Bank of India under Income Recognition, Asset Classification and Provisioning (IRAC) norms.

Credit Risk Management Policy:

The Bank's Head Office has well defined policies and procedures for identifying, measuring, monitoring and controlling credit risk in all its activities. Credit limits are approved by the Head Office after thorough assessment of the risk profile of the borrower or counterparty including the purpose and structure of credit and its source of repayment and other support given the current events, conditions and expectations.

It is the Bank's policy to ensure that provisions for credit loss are maintained at adequate levels. Experienced and skilled staff members manage recovery of non-performing and Loss loans. The Bank's credit administration unit supported by the Head Office ensures that credit facilities are released after proper approval and against proper documentation. It also monitors excesses over limits, past dues, expired credits and highlights corrective action immediately.

The Bank's credit manual covers following:

- a) Clearly defined policies
- b) Credit approval authorities
- c) Limits target markets
- d) Risk acceptance criteria
- e) Credit origination and maintenance procedures

Risk Monitoring and Reporting:

The Bank's Head Office and Branch monitors concentration risk by setting up limits for maximum exposure to individual borrower or counterparty, country, bank or industry. These limits are approved by the Head Office after detailed analysis and are monitored regularly.

The Bank has risk asset rating guidelines provided by the Head Office and all credits are assigned an internal rating in accordance with the defined criteria. All lending relationships are reviewed regularly and more frequently for stressed and Non-Performing Assets. Also, the Bank has Internal Auditors, who undertake reviews/checks on ongoing basis.

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Quantitative Disclosures:

Total gross credit risk exposure as on 31 March 2025.

INR in Lacs	
Particulars	Exposure
Fund based*	356,953
Non fund based	5,742

*Represents book value as at 31 March 2025

(Excluding Investments, RBI Balances, Fixed Assets & Other Assets)

Geographic distribution of exposure as on 31 March 2025

INR in Lacs		
Particulars	Funded	Non-Funded
Overseas	9,534	409
Domestic	347,420	5,333

Industry wise distribution of Fund and Non Fund based credit exposure as at 31 March 2025

(Gross)

INR in Lacs			
Industry Name	Fund Based Exposure*	Non-Fund Based Exposure	Total Exposure
Petroleum	1,16,500	2,191	1,18,691
Real Estate	50,000	-	50,000
Metals	46,000	-	46,000
Engineering	38,000	-	38,000
Manufacturing	35,000	-	35,000
Trade	27,000	-	27,000
Infrastructure	19,530	120	19,650
BANKS	14,146	3,431	17,577
Others	10,777	-	10,777

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*Represents book value as at 31 March 2025 (Excluding Investments, RBI Balances, Fixed Assets & Other Assets)

As on 31 March 2025, the Bank's exposure to the industries stated below was more than 5% of the total gross credit exposure:

Sr. No.	Industry Classification	Percentage of the Total Gross Credit Exposure
1	Petroleum	32.72%
2	Real Estate	13.79%
3	Metals	12.68%
4	Engineering	10.48%
5	Manufacturing	9.65%
6	Trade	7.44%
7	Infrastructure	5.42%

Residual contractual maturity breakdown of assets

INR in lacs

Maturity Bucket	Cash, Balances with RBI and Other Banks	Advances	Investments	Fixed Assets	Other Assets (Net)
Day 1	11,015	-	33,233	-	846
2 to 7 days	2,700	7,545	-	-	-
8 to 14 days	0	63,914	-	-	-
15 to 30 days	192	6,454	1,344	-	-
31 days to 2 months	28	24,749	197	-	-
2 Months to 3 Months	39	83,396	274	-	491
Over 3 months to 6 months	140	415	981	-	538
Over 6 months to 12 months	172	20,386	1,203	-	-
Over 1 year to 3 years	228	22,093	1,600	-	1,079
Over 3 years to 5 years	0	27,354	-	-	-
Over 5 years	21	0	144	2,122	-
Total	14,534	256,306	38,977	2,122	2,954

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Movement of NPA (Gross) and Provision for NPAs –31 March 2025

- NPA outstanding and provision for NPA as on 31 March 2025 are NIL. Therefore, percentage to Net NPA to Net advance as at 31 March 2025 is 0.00%

There has been no new NPA and upgradations from existing NPA to standard assets during the year 2024-2025. There has been no technical write off during the year 2024-2025

Movement of General Provision – Position as on 31 March 2025

		INR in lacs
Movement of Provisions	Specific Provisions	General Provisions*
Opening balance as on 1st April 2024	-	577
Provision made in 2024-25	-	730
Write-offs	-	-
Write-back of excess provision in 2024-25	-	-
Any other adjustments, including transfers between provisions	-	-
Closing balance as on 31 March 2025	-	1,307

* Excludes country risk provision but including standard assets provision and provision for unhedged foreign currency exposure

No write-offs and recoveries that have been booked directly to the income statement for year ending 31 March 2025

NPI (Gross), Provision for NPI and Movement in Provision for Depreciation on investments – 31 March 2025

NPI outstanding and provision for NPI as on 31 March 2025 are NIL (Previous year: Nil). Therefore, percentage to Net NPI to Net advance as at 31 March 2025 is 0.00% (Previous year: 0.00%)

DF 4 – Credit Risk: Disclosures for portfolios subject to standardized approach

Qualitative Disclosures:

The Bank has used the ratings of the following international credit rating agencies (arranged in alphabetical order) for the purposes of risk weighting the credit exposures relating to trade finance operation having exposure on Banks/FIs for capital adequacy purposes where specified:

- Fitch;
- Moody's; and
- Standard & Poor's

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The Bank also uses the ratings from RBI notified & accredited domestic credit rating agencies for risk weighting domestic Corporate credit exposures for capital adequacy purposes.

A description of the process used to transfer public issuer ratings onto comparable assets in the banking book:

- Bank has used short term ratings for assets with maturity upto one year and long-term ratings for assets maturing after one year as accorded by the approved external credit rating agencies.
- Bank has not cherry-picked ratings. Bank has not used one rating of a CRA (Credit Rating Agency) for one exposure and another CRA's rating for another exposure on the same counterparty.
- Bank has used only solicited rating from the recognized CRAs. In case the issuer has multiple ratings from CRAs, the Bank has a policy of choosing (if there are two or more ratings) lower rating.

Quantitative Disclosures:

Details of credit exposures (funded and non-funded) classified by risk buckets

The table below provides the break-up of the Bank's net exposures into three major risk buckets.

Sr. No.	Exposure amounts after risk mitigation	INR in Lacs	
		Fund Based Exposure*	Non-Funded Exposure
1	Below 100% risk weight exposure outstanding	126,208	2,820
2	100% risk weight exposure outstanding	4,251	-
3	More than 100% risk weight exposure outstanding	184,435	93,947
	Total	314,894	96,767

*Represents book value as at 31 March 2025

DF-5: Credit risk mitigation: Disclosures for standardized approach

Qualitative Disclosures:

- 1) Policies and processes for and an indication of the extent to which the bank makes uses of on- and off-balance sheet netting:
Bank makes use of on-balance sheet netting which is confined to loans/advances and deposits, where Bank has legally enforceable netting arrangements, involving specific lien with proof of documentation.

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2) Policies and processes for collateral valuation and management:

As stipulated by the RBI guidelines, the Bank uses the comprehensive approach for collateral valuation. Under this approach, the Bank reduces its credit exposure to counterparty when calculating its capital requirements to the extent of risk mitigation provided by the eligible collateral as specified in the Basel III guidelines, wherever it deems appropriate.

3) Description of the main types of collateral taken by the Bank:

The Financial collaterals considered for Risk mitigation includes lien on deposits and counter guarantees of other Banks.

4) Information about (market or credit) risk concentrations within the mitigation taken:

The Bank does not have any material market or credit risk concentrations as per its assessment and hence, no mitigations required.

Quantitative Disclosures:

Particulars	INR in Lacs	
	Fund Based Exposure*	Non-Funded Exposure
Total exposure covered by eligible financial collateral after application of applicable haircuts	-	-
Total exposure covered by guarantees#	16,019	-
Total	16,019	-

*Represents book value as at 31 March 2025

This includes Stand By Letter of Credits (SBLC) & Bills discounted under Bank Risk.

DF-6 Securitization Exposures:

The Bank has not originated any securitized instruments nor has made any investments in securitized instruments issued by others.

DF-7 Market Risk in trading book:

Market risk is defined as the risk of loss due to changes in market values of the Bank's assets and liabilities caused by changing interest rates, interest rates and security prices. The market risk is managed in accordance with the investment policy, which is approved by the Management Committee. These policies ensure that operations in securities and foreign exchange contracts are conducted in accordance with the extant RBI guidelines. The salient features of the market risk at the Bank are as under:

Bank has exposures such as dated G-Sec/T-bills which are valued at realizable value. Bank also has foreign exchange contracts which are marked to market for valuation.

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Capital charge for market risks in foreign exchange is calculated at 9% on the open position limit of the bank. This capital charge is in addition to capital charge for credit risk on the on and off -balance sheet items pertaining to foreign exchange.

The Bank has detailed policies covering ALM, Market Risk, investments and foreign exchange risk management.

Qualitative Disclosures:

The minimum capital requirement is expressed in terms of two separately calculated charges:

Specific charge for each security, which is designed to protect against adverse movements in the price of individual security owing to factors related to the individual issuer.

General market risk charge towards interest rate risk in the portfolio in different securities or instruments.

The capital requirements for general market risk are designed to capture the risk of loss arising from changes in market interest rates. The capital charge is the sum of following components.

The net short/Long position in the whole trading book:

A small proportion of the matched positions in each time-band - vertical disallowances:

A larger proportion of the matched positions across different time bands - horizontal disallowance.

Overview of Policies and Procedures

The market risk for the Trading Book of the Bank is managed in accordance with the approved Investment Policy. This policy provides guidelines to the operations, valuations, and various risk limits and controls pertaining to various securities and foreign exchange contracts. These policies enhance Bank's ability to transact in various instruments in accordance with the extant regulatory guidelines and provide sound foundation for day-to-day Risk Control, Risk management, and prompt business decision making. The Bank also has a Stress Testing Policy and Framework which enables Bank to capture impact of various stress scenarios. All these policies are reviewed periodically to incorporate changes in economic, business and regulatory environment.

Roles and Responsibilities:

The Bank has constituted the Asset Liability Committee (ALCO) under the oversight of MANCO which plays an important part in assessing and mitigating all aspects of the risks, which the Bank is exposed to. ALCO is responsible for defining and estimating the market risk inherent in all activities. As regards to investments, the ALCO is responsible for the pattern and composition of investments. The ALCO reviews market updates, asset and liability trends, liquidity trends contingency plans.

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Liquidity Risk:

Funding Liquidity Risk: The risk to the bank's earnings or capital from its inability to meet its obligations or fund increase in assets as they fall due, without incurring significant costs or losses.

Market Liquidity Risk: The risk that an asset cannot be sold due to lack of liquidity in the market.

Liquidity Risk Framework is covered under the Bank's Integrated Treasury & Integrated Treasury Risk Management Policy which defines the gap limits for the structural liquidity and the liquidity profile of the Bank. The Bank's ability to meet its obligations and fund itself in a crisis scenario is critical and accordingly, stress testing is performed to assess the impact on liquidity. The Bank also prepares structural liquidity statements and other liquidity reports to manage the liquidity position.

Quantitative Disclosures:

Bank's product wise market risk summary as on 31 March 2025 is given below:

INR in Lacs	
Risk Category	Capital Requirement
I. Interest Rate Risk (a+b)	-
General market risk	-
Net position (parallel shift)	-
Horizontal disallowance (curvature)	-
Vertical disallowance (basis)	-
Options	-
Specific risk	-
II. Equity Position Risk (a+b)	-
a. General market risk	-
b. Specific risk	-
III. Foreign Exchange Risk (Foreign Exchange & Gold)	74
IV. Total Capital Requirement for Market risks at 11.5% (I+II+III)	644

DF-8: Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational Risk includes legal risk but excludes strategic risk and reputation risk.

Qualitative Disclosures:

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There is satisfactory organizational set-up for the management of Operational risks. The Bank has clearly defined operations procedures for each of its products and services. The Bank has concurrent audit and internal audit systems which help in identifying and rectifying the operational deficiencies.

Effective business continuity and crisis management strategies and plans have been developed and tested to ensure prompt recovery of critical business functions in the event of major business and/or system disruptions. The Bank's software IT systems are integrated with its Head Office. A system of prompt submission of reports on frauds is in place in the Bank.

Framework of Operational Risk Management

The operational risk results from failure of systems, internal process, people and external interventions in terms of fraud and forgeries. The Bank gives high priority to the management of operational risk. Operational risk is controlled by the following process:

- All transactions are properly authorized
- All transactions are properly recorded
- Assets are safeguarded
- Sound ethical standards are adhered to
- Full compliance to all laws, regulations and corporate policies

MANCO and RMC review operational risk in accordance with its terms of reference. MANCO is updated regularly on all key operational risk issues.

Besides the above, the Bank also undertakes the following to proactively identify operational risks in the operations and external environment.

- Robust processes for review of products and critical process prior to launch/ modifications
- Monitoring of external OR events/frauds and gaining insights for improvements in processes/ controls.

DF 9: Interest Rate Risk in the Banking book (IRRBB)

Interest rate risk represents most significant market risk exposure to the Bank's non-trading (core) exposures. It represents the Bank's exposure to adverse movements in interest rates. The overall goal is to manage interest rate risk so that movements in interest rates do not adversely affect core net interest income.

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Qualitative Disclosures

Overview of Policies and Procedures

Interest Rate Risk is part of the overall /Integrated Treasury Risk Management Policy and Investment policy of the Bank. The Bank also has a Stress Testing Policy and Framework which enables Bank to capture impact of various stress scenarios on the Banking Book Portfolio. All these policies are reviewed periodically to incorporate changes in economic, business and regulatory environment.

The Asset Liability Management Committee (ALCO), which is responsible for evolving appropriate systems and procedures for ongoing identification and analysis of Balance Sheet risks and laying down parameters for efficient management of these risks through Assets Liability Management Policy of the Bank. ALCO, therefore, periodically monitors and controls the risks and returns, funding and deployment, setting Bank's lending and deposit rates and directing the investment activities of the Bank. The day-to-day responsibility of monitoring, evaluation and risk measurement rests with middle office. Interest rate sensitive gap statements across pre-defined time buckets are monitored for measuring and managing the interest rate risk.

IRRBB Identification, Measurement, Monitoring and Reporting

The Market Risk Framework elaborates IRRBB architecture to measure, monitor and control the adverse impact of interest rates on the Bank's financial condition within tolerable limits. This impact is calculated from following perspectives:

- Earnings perspective: Indicates the impact on Bank's Net Interest Income (NII) in the short term.
- Economic perspective: Indicates the impact on the net-worth of bank due to re-pricing of assets, liabilities and off-balance sheet items.

The Integrated Treasury Policy/Integrated Treasury Risk Management/Market Risk Policies define the framework for managing IRRBB through measures such as:

- Interest Rate Sensitivity Report: Measures mismatches between rate sensitive liabilities and rate sensitive assets (including off-balance sheet positions) in various tenor buckets based on re-pricing or maturity, as applicable.
- Duration Gap Analysis: Measures the mismatch in duration of assets & liabilities and the resultant impact on market value of equity.
- Banking Book Value at Risk (VaR): Estimates the maximum possible loss, at a predefined confidence level, on the market value of banking-book over a certain time horizon under normal conditions.
- Earnings at Risk (EaR): Estimates the impact on net interest income over one-year horizon due to 2% changes in interest rates.

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- Sensitivity Analysis: Evaluates the impact on both trading and banking book due to parallel and non-parallel shifts in interest rates.
- Stress Testing: Evaluates the impact on duration of capital of banking book under various stress scenarios.

All the above risk metrics are measured on regular basis and reported to ALCO periodically as guided by the Integrated Treasury & Integrated Treasury Risk Management Policy of the Bank.

Quantitative Disclosures- Impact of Interest Rate Risk

The Banks assesses its exposure to IRRBB using the Economic Value of Equity (EVE) approach and calculate likely drop in Market Value of Equity with 200 bps change in interest rates. The estimated impact of such shock as at 31 March 2025 is as follows.

INR in Lacs

Earnings Perspective (Impact on Net Interest Income)		
Currency	If interest Rate were to go down by 200 bps	If interest Rate were to go up by 200 bps
INR	16836.44	(16836.44)
USD	461.08	(461.08)
Economic Value Perspective (Impact on Market Value of Equity)		
Currency	If interest Rate were to go down by 200 bps	If interest Rate were to go up by 200 bps
INR	17272	(17272)
USD	462	(462)

Note: The above impact is for 200 bps parallel shift in the interest rates for both assets and liabilities.

DF-10: General Disclosures for Exposures Related to Counterparty Credit Risk

Counterparty exposure

Counterparty credit risk in case of derivative contracts arises from the forward foreign exchange contracts. The subsequent credit risk exposures depend on the value of underlying market factors (e.g., interest rates and foreign exchange rates), which can be volatile and uncertain in nature. The Bank has exposure to derivative only in the form of forward & swap foreign exchange transactions as at 31 March 2025.

Methodology used to assign economic capital and credit limits for counter party credit exposure

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The Bank currently does not assign economic capital for its counterparty credit exposures. The credit limits for counterparty Banks as well as Corporates are fixed centrally at Head Office.

Credit exposures on forward contracts:

The Bank enters into the forward contracts in the normal course of business for positioning and arbitrage purposes, as well as for its own risk management needs, including mitigation of interest rate and foreign currency risk. Derivative exposures are calculated according to the current exposure's method.

Credit exposure as on 31 March 2025:

INR in Lacs				
	Notional Amount	Gross positive fair value of contracts	Potential future exposure	Total Credit Exposure
Forward Contracts	213,202	748	4,264	5,012

Table DF-11: Composition of Capital

INR in lacs				
			Amounts Subject to Pre-Basel III Treatment	Ref No.
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share capital plus related stock surplus (share premium) (Funds from Head Office)	97,754		a1
2	Retained earnings (Statutory Reserves)	10,076		a2
3	Accumulated other comprehensive income (and other reserves)	21,262		a3+a4
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)			
6	Common Equity Tier 1 capital before regulatory adjustments	129,092		a=a1+a2+a3+a4
Common Equity Tier 1 capital: regulatory adjustments				

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			Amounts Subject to Pre-Basel III Treatment	Ref No.
7	Prudential valuation adjustments			
8	Goodwill (net of related tax liability)			
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	1,158		c1
10	Deferred tax assets	26		c2
11	Cash-flow hedge reserve			
12	Shortfall of provisions to expected losses			
13	Securitization 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)			

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			Amounts Subject to Pre-Basel III Treatment	Ref No.
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: Unamortized 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	Total regulatory adjustments to Common Equity Tier 1	1,184		c=c1+c2
29	Common Equity Tier 1 capital (CET1)	127,907		A= a-c
Additional Tier 1 capital: instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)			

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

			Amounts Subject to Pre-Basel III Treatment	Ref No.
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	Additional Tier 1 capital before regulatory adjustments (Head Office Borrowing)	127,045		
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			

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

			Amounts Subject to Pre-Basel III Treatment	Ref No.
	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	Total regulatory adjustments to Additional Tier 1 capital			
44	Additional Tier 1 capital (AT1) Admissible for capital adequacy	5,539		Restricted to 1.5% of Total RWA
45	Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44)	133,446		
Tier 2 capital: instruments and provisions				
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 (provision for standard advances, UHFCE, Country risk) also including balance in Investment Reserve	2,100		b = b1+b2+b3+b4+b5

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

			Amounts Subject to Pre-Basel III Treatment	Ref No.
	account and Investment fluctuation Account			
51	Tier 2 capital before regulatory adjustments	2,100		B
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 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	Total regulatory adjustments to Tier 2 capital			
58	Tier 2 capital (T2)	2,100		B (restricted to 1.25% of total Credit RWA)

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

			Amounts Subject to Pre-Basel III Treatment	Ref No.
59	Total capital (TC = T1 + T2) (45 + 58)	135,546		A+B
60	Total risk weighted assets (60a + 60b + 60c)	369,284		
60a	of which: total credit risk weighted assets	346,043		
60b	of which: total market risk weighted assets	644		
60c	of which: total operational risk weighted assets	22,597		
Capital ratios				
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	34.64%		
62	Tier 1 (as a percentage of risk weighted assets)	36.14%		
63	Total capital (as a percentage of risk weighted assets)	36.71%		
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)	-		
National minima (if different from Basel III)-				
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	8.00%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	9.50%		

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

			Amounts Subject to Pre-Basel III Treatment	Ref No.
71	National total capital minimum ratio (if different from Basel III minimum)	11.50%		
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 standardised approach (prior to application of cap)	2,100		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	2,100		
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, 2017 and March 31, 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	-		

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

			Amounts Subject to Pre-Basel III Treatment	Ref No.
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 the template				
Row No. of the template	Particular	Rs. in lacs		
10	Deferred tax assets associated with accumulated losses	-		
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	26		
	Total as indicated in row 10	26		
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	-		

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

		Amounts Subject to Pre-Basel III Treatment	Ref No.
(i)	Increase in Common Equity Tier 1 capital	-	
(ii)	Increase in risk weighted assets	-	
50	Eligible Provisions included in Tier 2 capital	2,100	
	Eligible Revaluation Reserves included in Tier 2 capital	-	
	Total of row 50	-	

DF-12 Composition of Capital – Reconciliation Requirements

Step 1

INR in lacs

		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As at 31 March 2025	As at 31 March 2025
A	Capital & Liabilities		
I	Paid-up Capital	97,754	
	Reserves & Surplus	35,132	
	Of which: Statutory Reserve	10,076	
	Of which: Remittable Surplus for CRAR requirements	20,892	
	Of which: Capital Reserve	208	
	Of which: Investment Fluctuation Reserve	780	
	Of which: Investment AFS Reserve & General Reserve	215	
	Of which: Profit & Loss Account	2,961	
	Minority Interest	-	
	Total Capital	132,886	
II	Deposits	41,327	
	of which: Deposits from banks	16,965	
	of which: Customer deposits	24,362	
III	Borrowings	133,949	
	of which: From RBI	-	
	of which: From banks	-	
	of which: From other institutions & agencies	6,904	

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As at 31 March 2025	As at 31 March 2025
	of which: Others (pl. specify)	127,045	
	of which: Capital instruments (AT Borrowing)	127,045	
IV	Other liabilities & provisions	6,732	
	Of which: Provision for Standard Assets, Country Risk & Unhedged Foreign Currency Exposure	1,320	
	Total Liabilities	314,894	
	Assets		
I	Cash and balances with Reserve Bank of India	4,998	
	Balance with banks and money at call and short notice	9,536	
II	Investments:	38,977	
	of which: Government securities	38,977	
	of which: Other approved securities	-	
	of which: Shares	-	
	of which: Debentures & Bonds	-	
	of which: Subsidiaries / Joint Ventures / Associates	-	
	of which: Others	-	
III	Loans and advances	256,306	
	of which: Loans and advances to banks	4,524	
	of which: Loans and advances to customers	251,782	
IV	Fixed assets	2,122	
	Of which: Intangible (Software)	1,158	
V	Other assets	2,955	
	of which: Goodwill and intangible assets	-	
	of which: Deferred tax assets	26	
VI	Goodwill on consolidation	-	
VII	Debit balance in Profit & Loss account	-	
	Total Assets	314,894	

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

Step 2

INR in lacs

Common Equity Tier 1 capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	97,754	a1
2	Retained earnings	20,892	a2
3	Accumulated other comprehensive income (and other reserves)	10,445	a3+a4
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-
6	Common Equity Tier 1 capital before regulatory adjustments	129,091	a1+a2+a3+a4
7	Prudential valuation adjustments	-	-
8	Goodwill (net of related tax liability)	-	-
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	1,158	c1

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

Common Equity Tier 1 capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of deferred tax liabilities)	26	c2
11	Regulatory adjustments applied to Common Equity Tier 1 and Tier 2 to cover deductions	-	-
	Common Equity Tier 1 capital (CET1)	127,907	A

DF-13 Main Features of Regulatory Capital Instruments

Disclosure template for main features of regulatory capital instruments		
1	Issuer	Mashreq Bank Dubai
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	Deal ID - 15525
3	Governing law(s) of the instrument	India Law
Regulatory treatment		
4	Transitional Basel III rules	NA
5	Post-transitional Basel III rules	NA
6	Eligible at solo/group/ group & solo	NA
7	Instrument type	AT1 Borrowing
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	554
9	Par value of instrument	NA
10	Accounting classification	Borrowing
11	Original date of issuance	09 th December 2024
12	Perpetual or dated	Perpetual
13	Original maturity date	NA
14	Issuer call subject to prior supervisory approval	First Call option after 10-year 3 month from the date of borrowing or any anniversary date thereafter subject to prior approval from RBI
15	Optional call date, contingent call dates and redemption amount	First Call option after 10-year 3 month from the date of borrowing or any

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

		anniversary date thereafter subject to prior approval from RBI
16	Subsequent call dates, if applicable	NA
Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	6.69% to be paid half-yearly (linked with FBIL 5-year G-Sec Par Yield (Semi-Annual))
19	Existence of a dividend stopper	NA
20	Fully discretionary, partially discretionary or mandatory	NA
21	Existence of step up or other incentive to redeem	NA
22	Noncumulative or cumulative	NA
23	Convertible or non-convertible	NA
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	NA
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	NA
37	If yes, specify non-compliant features	NA

DF-14: Full Terms and Conditions of Regulatory Capital Instruments – Not Applicable

DF-14: Full Terms and Conditions of Regulatory Capital Instruments

In accordance with the requirements of the RBI circular No. DBOD.NO.BC.72/29.67/001/2011-12 dated 13 January 2012, the Head Office of the Bank has submitted a declaration to RBI that Mashreq Bank HO's sound compensation practices are based on UAE Central Bank regulations which are broadly similar to the FSB Principles and the same have been incorporated in Mashreq India's compensation policy.

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

In line with Bank's compensation guidelines, we hereby disclose following information:

Qualitative Disclosures	Information relating to the composition and mandate	Remuneration Committee located at Dubai (UAE) Head Office.
	of the Nomination and Remuneration Committee	
		The H.O. defines the compensation policy and is responsible for administering the process for all Mashreq Offices across all locations (UAE & Overseas).
	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	The objective of the Remuneration policy is to ensure remuneration is consistent and fair, promotes sound and effective risk management; and is aligned with the company's strategy, values and goals.
		The Rewards strategy is centered to help align with Mashreq values and drive performance, while ensuring transparency and equitability across the Bank, appropriately rewarding skills and talent to help achieve the Organizational goals..
	Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	Bank has in place a robust risk and performance
		management system to capture, monitor, and control
		the risks created by its business activities. The goal is to
		not only manage the risks of the bank, but also to create
		a culture of risk awareness, risk quantification and
		measurement and personal accountability.
		Employees in any grade (and any job family equivalent) will forfeit their right to receive any Variable Pay awards in the event of Malus circumstances.

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

		Also, as part of the Bank's approved Consequence Management policy the variable pay of employees are subject to claw back conditions based on the principles laid down by the approved Consequence Management Policy.
	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	The determination and allocation of discretionary performance linked variable pay awarded to employees is subject to a broad range of quantitative and qualitative assessment criteria.
		Variable Pay is based on the Overall Bank's performance, performance of the Group, as well as Individual achievement against set performance objectives and values.
	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	For Senior Executives of the India entity (Country Manager/CEO), where the variable pay exceeds 50% of the Fixed pay in a year, 40% of the Variable pay is paid for that said performance year and the excess amount shall be deferred.
		Malus and Clawback conditions apply in the event of the circumstances arising subject to Bank' discretion.
		In case of cessation of employment which happens due to death or disability or retirement before the end of period of any deferred variable pay the deferred amounts will be paid. However, where cessation of employment happens due to resignation or termination of service the unpaid deferred amount(s) will be considered as forfeited at the point that notice of cessation of employment is given.
	Description of the different forms of variable remuneration (i.e., cash and types of share-linked	There will be a proper balance between the fixed and
		the variable pay. The proportion of variable pay will be

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

	instruments) that the bank utilizes and the rationale for using these different forms.	higher at higher levels of responsibility.
		Current variable payments are only in cash
Quantitative disclosures	Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.	Not applicable as Nomination and Remuneration
		Committee is handled at HO.
	(i) Number of employees having received a variable remuneration award during the financial year.	-
	(ii) Number and total amount of sign-on/joining bonus made during the financial year.	INR 4,250 (in '000) (Joining Bonus)
	(iii) Details of severance pay, in addition to accrued benefits, if any.	-
	(i) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms.	Nil
	(ii) Total amount of deferred remuneration paid out in the financial year.	
	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Country Head & CEO:
		Fixed Pay and Perquisites: INR 29,767 (in '000) (Including Joining Bonus mentioned above)
	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to	Nil

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

	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.	
	Number of MRTs identified.	Nil
	(i) Number of cases where malus has been exercised.	Nil
	(ii) Number of cases where clawback has been exercised.	
	iii) Number of cases where both malus and clawback have been exercised.	
General Quantitative Disclosure	The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its CEO/WTDs from the mean pay	Mean Pay of the Bank – INR 7,914 (in '000) Deviation of the pay from Mean Pay – INR 21,853 (in '000)

DF-16: Equities – Disclosure for Banking Book Positions – Not Applicable.

DF – 17 Leverage Ratio Disclosures

Table DF 17- Summary comparison of accounting assets vs. leverage ratio exposure measure		
	Item	INR in lacs
1	Total consolidated assets as per financial statements	314,894
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

Table DF 17- Summary comparison of accounting assets vs. leverage ratio exposure measure		
	Item	INR in lacs
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	5,012
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)	24,095
7	Other adjustments	(1,184)
8	Leverage ratio exposure	342,817

Reconciliation of total balance sheet size and on balance sheet exposure under common disclosure

Sr No	Particulars	INR in lacs
1	Total consolidated assets as per financial statements	314,894
2	Replacement cost associated with all derivatives transactions, i.e. net of eligible cash variation margin	-
3	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	(2,700)
4	Other adjustments	4,462
5	On-balance sheet exposure under leverage ratio (excluding derivatives and SFTs)	316,656

DF – 18 Common disclosure template and explanatory table, reconciliation and other requirements

INR in Lacs

Table DF- 18: Leverage Ratio common disclosure template (‘ in lacs)

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

On- balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	317,840
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(1,184)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	316,656
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 transactions	5,012
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)	5,012
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)	2700
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	91,755
18	(Adjustments for conversion to credit equivalent amounts)	(73,306)
19	Off-balance sheet items (sum of lines 17 and 18)	18,449
Capital and total exposures		

BASEL III- Pillar 3 Disclosures for the year ended 31 March 2025

20	Tier 1 capital	133,446
21	Total exposures (sum of lines 3, 11, 16 and 19)	342,817
Leverage Ratio		
22	Basel III leverage ratio	38.93%

Liquidity Coverage Ratio:

Particulars			Average Q4-2025 (INR in lacs)	
			Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets				
1	Total High-Quality Liquid Assets (HQLA)		107,092	107,092
Cash Outflows				
2	Retail deposits and deposits from small business customers, of which:			
	(i)	Stable deposits	-	-
	(ii)	Less stable deposits	-	-
3	Unsecured wholesale funding, of which:			
	(i)	Operational deposits (all counterparties)	-	-
	(ii)	Non-operational deposits (all counterparties)		10,201
			12,574	
	(iii)	Unsecured debt	-	-
4	Secured wholesale funding		-	-
5	Additional requirements, of which			
	(i)	Outflows related to derivative exposures and other collateral requirements	281	281
	(ii)	Outflows related to loss of funding on debt products	-	-

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	(iii)	Credit and liquidity facilities	75,667	
				3,783.37
6		Other contractual funding obligations	440	440
7		Other contingent funding obligations	2,618	79
8		Total Cash Outflows	91,581	14,784
		Cash Inflows		
9		Secured lending (eg reverse repos)	-	-
10		Inflows from fully performing exposures	55,771	38,867
11		Other cash inflows	628	500
12		Total Cash Inflows	56,400	39,367
		Total Adjusted Value		
21		TOTAL HQLA		107,092
22		Total Net Cash Outflows		3,696
23		Liquidity Coverage Ratio (%)		2897%

For Mashreqbank psc – India Branch

Tushar Vikram

Country Head & CEO

Place: Mumbai

Date: 17th June 2025