

AXIS BANK LIMITED, HONG KONG BRANCH
DISCLOSURE STATEMENT
SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

LIQUIDITY

	Three Months ended 31.12.2018	Three Months ended 30.09.2018
Average Liquidity Maintenance Ratio	72.21%	62.58%

Average Liquidity Maintenance Ratio is calculated as the simple average of each month's average liquidity ratio for the twelve months of the financial year computed in accordance with Banking Liquidity Rules.

LIQUIDITY RISK MANAGEMENT

The liquidity risk associated with the Axis Bank Hong Kong Branch (hereinafter referred to as "Branch") is managed within the global liquidity management framework of the Axis Bank (hereinafter referred to as "Bank"), wherein Management of operational liquidity or liquidity in the short-term is delegated to local management as part of local treasury function. The Board of Directors of the Bank through the Risk Management Committee of the Board (RMC), Asset Liability Management Committee (ALCO), Committee of Whole Time Directors (COWTD) and the Senior Management Group-I (SMG-I) would exercise effective oversight with respect to liquidity risk management at the Branch. At branch level the Branch Management Committee (BMC) administers the liquidity risk management framework.

The branch has a clearly defined framework containing all the key elements of a prudent and effective liquidity risk management appropriate to the Branch's size, scale of operations. The Branch has established, in all material respects, the internal control system and procedures in accordance with the regulatory requirements set-out by HKMA.

The Branch adheres to liquidity guidelines stipulated by HKMA as well as Reserve Bank of India (RBI). Liquidity stock ratios and liquidity gaps under flow approach viz. minimum regulatory liquidity ratio (LMR) stipulated by HKMA, long term and medium term funding ratios stipulated by RBI, bucket wise liquidity gaps is measured and monitored against predefined limits which reflect Branch's stated risk tolerance. Positions are monitored against the limits and reported to the top management of the Branch and the Bank. The liquidity positions of the branch are also reviewed centrally by the Bank's ALCO along with Bank's domestic positions.

Diversification of funding sources at the Branch is ensured through funding concentration limits for borrowings (other than MTN funds) The Branch has in place a Certificate of Deposit (CD) program to tap the CD market depending on its funding requirements. . The tenor of funding is monitored against the prescribed medium-term and long-term funding ratio.

Liquidity Stress tests and Testing of the Contingency Funding Plan are integral components of the Branch's liquidity risk management framework and are actively used by the Branch to mitigate liquidity risk. The scenarios for liquidity stress test are formulated based on an identification and analysis of a range of severe, yet plausible, stressed events that could impair the liquidity adequacy of the Branch and adequately cover liquidity risks faced by it.

The stress testing results are examined by the management to ensure the sufficiency of the liquidity buffer.

The Contingency Funding Plan (CFP) for the Branch details the overall approach and actions to be adopted in order to manage its liquidity position during stress conditions. The CFP sets out the funding approach to ensure that an efficient and coordinated action plan is mobilized during such periods. The CFP includes early warning indicators, Roles and responsibilities and strategies to address liquidity crisis.

Counterparty limits and limits on borrowing from single counterparty are in place to avoid exposure concentration to single counterparty. The Branch is aware of the legal, regulatory and operational limitations on the transferability of liquidity from individual legal entities, foreign branches and subsidiaries and the same is tracked on an ongoing basis.


Rachit Bhatia
Chief Executive
Axis Bank Limited
Hong Kong

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AXIS BANK LIMITED, 香港分行
財務資料披露聲明書
甲部 分行資料 (只適用於香港)

流動資產

	截至2018年12月31	截至2018年9月30日
平均流動性維持比率	72.21%	62.58%

依據銀行業流動性規則，平均流動性維持比率是該財政年度6個月之每月平均流動性維持比率之平均數。

流動資金風險管理

與Axis銀行香港分行（以下簡稱「分行」）相關的流動性風險由Axis銀行（以下簡稱「銀行」）的全球流動性管理框架管理，當中營運流動性或短期流動性的管理會授權予當地管理層，作為地方財政部的部分職能。本銀行董事會透過其風險管理委員會、資產負債管理委員會、全職董事委員會和高級管理組別第一組，對本銀行的流動性風險管理進行有效監督。在分行層面，分行管理委員會將負責管理流動性風險的管理框架。

本分行有訂定明確的框架，當中包含所有適合本分行大小及經營規模的審慎及有效的流動性風險管理關鍵元素。本分行已根據金管局訂立的監管規定，就所有重要範疇設立內部監控系統及程序。

本分行遵守金管局和印度儲備銀行規定的流動性指引。在任何流動方式下的流動性股票比率和流動性差距[即金管局規定的最低監管流動資金比率]、印度儲備銀行規定的長期和中期資金比率和桶狀流動性缺口，均根據預先制定的限值測量和監控，反映分行所訂明的風險承受能力；同時亦會以上下限監控情況，並向本分行和本銀行的最高管理層匯報。此外，本分行的流動性情況和本銀行的本地定位也會交由本銀行的資產負債管理委員會集中審查。

貸款的資金集中限額（中期票據資金除外）確保本分行資金來源的多樣化。本分行已根據資金需求設立存款證計劃，以開發存款證市場，並根據規定的中期和長期資金比率監控資金期限。

流動性壓力測試和應急資金計劃測試是本分行流動性風險管理框架的組成部分之一，分行靈活使用應等測試以降低流動性風險。透過識別和分析一系列嚴重但可能發生的壓力事件，制定流動性壓力測試的情景。這些事件可能會損害本分行的流動充足性，而所制定的情景亦充分涵蓋其可能面對的流動性風險。管理層會檢查壓力測試的結果，以確保有充足的流動性緩衝。

本分行的應急資金計劃詳細列明了在壓力情況下管理其流動性狀況將採取的整體方法和行動。應急資金計劃制定了籌集資金的方法，以確保在此期間採取有效和協調的行動計劃。應急資金計劃包括早期預警指標、角色和責任、以及解決流動性危機的策略。

實施交易對手限制和限制單一交易對手的貸款是用以避免承受集中單一交易對手的風險。本分行知悉法人實體、外國分行和子公司的有關流動性可轉移性法律、監管和營運限制，並對其進行持續性跟進。

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