

## Leverage Ratio

The leverage ratio act as a credible supplementary measure to the risk based capital requirement. The Bank is required to maintain a minimum leverage ratio of 4.5%. The Bank's leverage ratio, calculated in accordance with the RBI guidelines under consolidated framework is as follows:

Comparison of accounting assets and leverage ratio exposure

		(In Rs Million)
S. No.	Leverage ratio framework*	30-Sep-2017
1	Total consolidated assets	843,192.83
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	172,315.78
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	1,081.56
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	330,351.93
7	Other adjustments	(5,288.54)
<b>8</b>	<b>Leverage ratio exposure</b>	<b>1,341,653.56</b>

\* Based on unaudited accounts

Leverage ratio common disclosure

		(In Rs Million)
S. No.	Leverage ratio framework*	30-Sep-2017
<b>On-balance sheet exposures</b>		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	688,334.47
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(5,288.54)
<b>3</b>	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)</b>	<b>683,045.93</b>
<b>Derivative exposures</b>		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	76,432.35
5	Add-on amounts for PFE associated with all derivatives transactions	172,575.22
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)	-
<b>11</b>	<b>Total derivative exposures (sum of lines 4 to 10)</b>	<b>249,007.57</b>

Leverage ratio common disclosure (continue.)

<b>Securities financing transaction exposures</b>		
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	78,166.57
13	(Netted amounts of cash payables and cash receivables of gross SFT ASSETS)	-
14	CCR exposure for SFT assets	1,081.56
15	Agent transaction exposures	-
<b>16</b>	<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>79,248.13</b>
<b>Other off-balance sheet exposures</b>		
17	Off-balance sheet exposure at gross notional amount	729,496.80
18	(Adjustments for conversion to credit equivalent amounts)	(399,144.87)
<b>19</b>	<b>Off-balance sheet items (sum of lines 17 and 18)</b>	<b>330,351.93</b>
<b>Capital and total exposures</b>		
<b>20</b>	<b>Tier 1 capital</b>	<b>107,623.42</b>
<b>21</b>	<b>Total exposures (sum of lines 3, 11, 16 and 19)</b>	<b>1,341,653.56</b>
<b>Leverage ratio</b>		
<b>22</b>	<b>Basel III leverage ratio</b>	<b>8.02%</b>

\* Based on unaudited accounts

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

		<b>(In Rs Million)</b>
<b>S. No.</b>	<b>Leverage ratio framework*</b>	<b>30-Sep-2017</b>
1	Total consolidated assets	843,192.83
2	Replacement cost associated with all derivatives transactions, i.e. net of eligible cash variation margin	(76,691.79)
3	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	(78,166.57)
4	Adjustment for entitles outside the scope of regulatory consolidation	-
<b>5</b>	<b>On-balance sheet exposure under leverage ratio (excluding derivatives and SFTs)</b>	<b>688,334.47</b>

\* Based on unaudited accounts