

## Leverage Ratio

The leverage ratio act as a credible supplementary measure to the risk based capital requirement. w.e.f October 1, 2019 The Bank is required to maintain a minimum Leverage Ratio at 4% for Domestic Systemically Important Banks (DSIBs) and 3.5% for other Banks as per notification dated June 28, 2019.

The Bank's leverage ratio, calculated in accordance with the RBI guidelines under solo and consolidated framework is as follows:

Comparison of accounting assets and leverage ratio exposure as of Dec 31, 2021

(In Rs '000)

S. No.	Leverage ratio framework	Solo	Regulatory scope of consolidation*
1	Total consolidated assets	1,178,384,051	1,212,082,170
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	111,017,536	111,017,536
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	881,188	881,188
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	322,855,933	325,424,658
7	Other adjustments	(1,595,346)	(7,515,875)
<b>8</b>	<b>Leverage ratio exposure</b>	<b>1,611,543,362</b>	<b>1,641,889,677</b>

\* Based on unaudited accounts for banks & subsidiary

## Leverage ratio common disclosure

(In Rs '000)

S. No.	Leverage ratio framework	Solo	Regulatory scope of consolidation*
<b>On-balance sheet exposures</b>			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	1,094,882,627	1,125,851,594
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(1,595,346)	(7,515,875)
<b>3</b>	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)</b>	<b>1,093,287,281</b>	<b>1,118,335,719</b>
<b>Derivative exposures</b>			
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	14,764,349	14,764,349
5	Add-on amounts for PFE associated with all derivatives transactions	149,124,565	149,124,565
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>163,888,914</b>	<b>163,888,914</b>
<b>Securities financing transaction exposures</b>			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	30,630,046	33,359,198
13	(Netted amounts of cash payables and cash receivables of gross SFT ASSETS)	-	-
14	CCR exposure for SFT assets	881,188	881,188
15	Agent transaction exposures	-	-
<b>16</b>	<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>31,511,234</b>	<b>34,240,386</b>
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	776,213,954	801,901,209
18	(Adjustments for conversion to credit equivalent amounts)	(453,358,021)	(476,476,551)
<b>19</b>	<b>Off-balance sheet items (sum of lines 17 and 18)</b>	<b>322,855,933</b>	<b>325,424,658</b>
<b>Capital and total exposures</b>			
<b>20</b>	<b>Tier 1 capital</b>	<b>176,333,972</b>	<b>185,701,667</b>
<b>21</b>	<b>Total exposures (sum of lines 3, 11, 16 and 19)</b>	<b>1,611,543,362</b>	<b>1,641,889,677</b>
<b>Leverage ratio</b>			
<b>22</b>	<b>Basel III leverage ratio</b>	<b>10.94%</b>	<b>11.31%</b>

\* Based on unaudited accounts for banks subsidiary

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

(In Rs '000)

S. No.	Leverage ratio framework	Solo	Regulatory scope of consolidation*
1	Total consolidated assets	1,178,384,051	1,212,082,170
2	Replacement cost associated with all derivatives transactions, i.e. net of eligible cash variation margin	(52,871,378)	(52,871,378)
3	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	(30,630,046)	(33,359,198)
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>1,094,882,627</b>	<b>1,125,851,594</b>

\*Based on unaudited accounts for banks &amp; subsidiary