

Leverage Ratio

The leverage ratio acts as a credible supplementary measure to the risk based capital requirement. The Bank is required to maintain a minimum leverage ratio of 3.50% with effect from October 1, 2019. The Bank's leverage ratio as on December 31, 2023, calculated in accordance with the RBI guidelines is as follows:

1. Leverage Ratio Common Disclosure

| | | <i>Rs. In Million</i> |
|---|--|-------------------------|
| Sl. No. | Item | As on December 31, 2023 |
| On-balance sheet exposures | | |
| 1 | On-balance sheet items (excluding derivatives and SFTs, but including collateral) | 15,69,245.40 |
| 2 | (Asset amounts deducted in determining Basel III Tier 1 capital) | (1,963.60) |
| 3 | Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2) | 15,67,281.80 |
| 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 | - |
| 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) | - |
| 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 | - |

| Sl. No. | Item | As on December 31, 2023 |
|--|--|-------------------------|
| 16 | Total securities financing transaction exposures (sum of lines 12 to 15) | - |
| Other off-balance sheet exposures | | |
| 17 | Off-balance sheet exposure at gross notional amount | 69,192.47 |
| 18 | (Adjustments for conversion to credit equivalent amounts) | (37,636.86) |
| 19 | Off-balance sheet items (sum of lines 17 and 18) | 31,555.61 |
| Capital and Total Exposures | | |
| 20 | Tier 1 Capital | 1,89,078.16 |
| 21 | Total Exposures (sum of lines 3, 11, 16 and 19) | 15,98,837.42 |
| Leverage Ratio | | |
| 22 | Basel III Leverage Ratio | 11.83% |

2. Summary comparison of Accounting assets and Leverage Ratio Exposure Measure

Rs. In Million

| Sl. No. | Item | As on December 31, 2023 |
|---------|--|-------------------------|
| 1 | Total consolidated assets as per published financial statements | 15,69,245.40 |
| 2 | Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation | 0 |
| 3 | Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure | 0 |
| 4 | Adjustments for derivative financial instruments | - |
| 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) | 31,555.61 |
| 7 | Other adjustments (i.e. Asset amounts deducted in determining Basel III Tier 1 capital) | (1,963.60) |
| s8 | Leverage Ratio Exposure | 15,98,837.42 |



The Bank's Leverage Ratio as of December 31, 2023, stands at 11.83%, calculated as Tier 1 Capital divided by Total On/Off-Balance Sheet exposure. The total exposure amounts to Rs. 15,98,837.42 million. The Tier 1 Capital is recorded at Rs. 1,89,078.16 million. The position remained above the minimum regulatory requirement of 3.5%. The available Tier 1 capital is sufficient for ongoing Balance Sheet growth on a non-risk adjusted basis.