

Leverage Ratio Disclosure

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 4.5% which is scheduled to reduce to 3.5% from the quarter commencing October 1, 2019. The Bank's leverage ratio, calculated in accordance with the RBI guidelines is as follows:

1. Leverage Ratio Common Disclosure

Rs. In Million

Sl. No.	Item	Sept 30, 2019 (Excluding the effect of Merger)
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	593,321.57
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(98.95)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	593,222.63
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	1.42
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)	1.42
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	29,750.12
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)	29,750.12

**This Disclosure Excludes the Effect of Merger of the Bank with Gruh Finance Ltd.*

Sl. No.	Item	Sept 30, 2019 (Excluding the effect of Merger)
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	900.36
18	(Adjustments for conversion to credit equivalent amounts)	-
19	Off-balance sheet items (sum of lines 17 and 18)	900.36
Capital and total exposures		
20	Tier 1 capital	106,682.69
21	Total exposures (sum of lines 3, 11, 16 and 19)	623,874.53
Leverage ratio		
22	Basel III leverage ratio	17.10%

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

Rs. In Million

Sl. No.	Item	Sept 30, 2019 (Excluding the Effect of Merger)
1	Total consolidated assets as per published financial statements	62,3071.69
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 recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	1.42
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)	900.36
7	Other adjustments	(9.89)
8	Leverage ratio exposure	623,874.53

**This Disclosure Excludes the Effect of Merger of the Bank with Gruh Finance Ltd.*