

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 June 30, 2024

(In Rs '000)

| S. No. | Leverage ratio framework | Solo | Regulatory scope of consolidation* |
|----------|--|----------------------|------------------------------------|
| 1 | Total consolidated assets | 1,366,420,169 | 1,408,299,935 |
| 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 | 175,921,616 | 175,921,616 |
| 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) | 302,008,234 | 304,471,529 |
| 7 | Other adjustments | (1,719,527) | (8,086,867) |
| 8 | Leverage ratio exposure | 1,842,630,492 | 1,880,606,213 |

* Based on unaudited accounts.

Leverage ratio common disclosure

(In Rs '000)

| S. No. | Leverage ratio framework | Solo | Regulatory scope of consolidation* |
|---|--|----------------------|------------------------------------|
| On-balance sheet exposures | | | |
| 1 | On-balance sheet items (excluding derivatives and SFTs, but including collateral) | 1,293,085,393 | 1,334,965,159 |
| 2 | (Asset amounts deducted in determining Basel III Tier 1 capital) | (1,719,527) | (8,086,867) |
| 3 | Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2) | 1,291,365,866 | 1,326,878,292 |
| Derivative exposures | | | |
| 4 | Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin) | 32,460,420 | 32,460,420 |
| 5 | Add-on amounts for PFE associated with all derivatives transactions | 216,795,972 | 216,795,972 |
| 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) | 249,256,392 | 249,256,392 |
| 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 | - | - |
| 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 | 892,623,791 | 917,256,741 |
| 18 | (Adjustments for conversion to credit equivalent amounts) | (590,615,557) | (612,785,212) |
| 19 | Off-balance sheet items (sum of lines 17 and 18) | 302,008,234 | 304,471,529 |
| Capital and total exposures | | | |
| 20 | Tier 1 capital | 223,187,851 | 233,437,604 |
| 21 | Total exposures (sum of lines 3, 11, 16 and 19) | 1,842,630,492 | 1,880,606,213 |
| Leverage ratio | | | |
| 22 | Basel III leverage ratio | 12.11% | 12.41% |

* Based on unaudited accounts.

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 | 1,366,420,169 | 1,408,299,935 |
| 2 | Replacement cost associated with all derivatives transactions, i.e., net of eligible cash variation margin | (73,334,776) | (73,334,776) |
| 3 | Adjustment for securities financing transactions (i.e., repos and similar secured lending) | - | - |
| 4 | Adjustment for entities outside the scope of regulatory consolidation | - | - |
| 5 | On-balance sheet exposure under leverage ratio (excluding derivatives and SFTs) | 1,293,085,393 | 1,334,965,159 |

* Based on unaudited accounts.

Previous period Leverage Ratios for DBAG India

| (In Rs '000) | June 30, 2024 | March 31, 2024 | December 31, 2023 | September 30, 2023 |
|-------------------------|---------------|----------------|-------------------|--------------------|
| Tier 1 Capital | 223,187,851 | 215,842,063 | 210,615,488 | 197,478,331 |
| Exposure Measure | 1,842,630,492 | 1,991,920,423 | 1,837,011,374 | 1,853,698,133 |
| Leverage Ratio % | 12.11% | 10.84% | 11.47% | 10.65% |