

Liquidity Coverage Ratio (LCR):

Quantitative Disclosure:

LIQUIDITY COVERAGE RATIO (For quarter ended Dec 2024)-

(Amount in Rs. Crores)			
		Quarter ended 31.12.2024	
		Total Un-weighted Value (Average)	Total Weighted Value (Average)
High Quality Liquid Assets			
1	Total High quality Liquid Assets(HQLA)		63,377.25
Cash Outflows			
2	Retails Deposit and deposits from small business customers, of which	1,89,152.56	18,849.20
(i)	Stable Deposit	1,321.13	66.06
(ii)	Less Stable Deposit	1,87,831.43	18,783.14
3	Unsecured Wholesale Funding, of which	68,693.46	26,637.88
(i)	Operational Deposits (All Counterparties)		
(ii)	Non- Operational Deposits (All Counterparties)	68,693.46	26,637.88
(iii)	Unsecured Debt		
4	Secured Wholesale Funding		-
5	Additional Requirements, of Which	27,398.82	4,237.75
(i)	Outflows related to derivative exposures and other Collateral Requirements	932.55	932.55
(ii)	Outflows related to loss of funding on debt Products		
(iii)	Credit and Liquidity facilities	34,655.98	4,124.17
6	Other Contractual funding Obligations	2,204.23	2,204.23
7	Other Contingent Funding Obligations	12,686.66	380.60
8	Total Cash Outflows		53,128.63
Cash Inflows			
9	Secured Lending (eg. Reverse Repos)	100.01	100.01
10	Inflows from Fully Performing Exposures	5,142.99	4,020.65
11	Other Cash inflows	1,065.72	1,065.72
12	Total Cash inflows	6,308.72	5,186.38
		Total Adjusted Value	
13	Total HQLA		63,377.25
14	Total Net Cash Outflow		47,942.25
15	Liquidity Coverage Ratio (%)		132.19%

* Average of Daily LCR of Q3 2024-25 i.e. from Oct 24 to Dec 24

Qualitative Assessment of LCR data and Result:

Liquidity Coverage Ratio (LCR) has been introduced with the objective to ensure that Bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its stressed outflows for next 30 calendar day time horizon. RBI mandates Banks to maintain minimum LCR of 100% at Bank level.

Accordingly; Bank is disclosing the LCR at Bank level. The Bank is having two overseas branches at Hong Kong and Singapore for which there is no separate LCR requirement.

Drivers of LCR:

The Bank has been maintaining the LCR above the minimum regulatory requirement on an ongoing basis and the main drivers are as under:

Drivers	Particulars
High Quality Liquid Assets (HQLA)	The Bank is maintaining substantial level of HQLA in the form of Government Securities in excess of the mandatory SLR requirement, i.e. 18% of DTL. The same can be easily liquidated or could be used for generating quick liquidity in stressed conditions. Bank was holding 6.64% of DTL in excess of mandatory SLR requirement as on 31.12.2024.
Funding from Retail Deposits / Small Business Customers	As funding from Retail customers as well as funding from Small business customers are considered stable during Stress Scenario and accordingly, Bank is focusing on accretion of funding from these sources and is reducing dependence on corporate deposits and deposits from bank / FI / NBFC. Presently, Bank's total composition of Deposits in these segment is 70.72 % of Total Deposits.

High Quality liquid Assets (HQLA): Our HQLA comprises of following

- **Level 1 Assets**
 1. Cash in hand including Cash Reserve in excess of CRR
 2. Govt. Securities in Excess of Mandatory SLR
 3. Marginal standing Facility up to 2% of Net Demand and Time Liabilities in the form of SLR securities.
 4. Facility to Avail Liquidity for Liquidity Coverage Ratio up to 16% of Net Demand and Time Liabilities in the form of SLR securities.
- **Level 2 Assets (Not issued by Banks/Financial Institution)**
- **Level 2A assets- With Haircut of 15%**
 1. Marketable securities representing claims on or claims guaranteed by Sovereigns Public Sector Entities (PSEs) having risk weight 20%
 2. Corporate Bonds and Commercial Papers having minimum rating of AA-

- **Level 2B assets –With Haircut of 50%**

1. Securities issued or guaranteed by sovereigns having risk weight higher than 20% but not higher than 50% (i.e. Bonds with Rating AA & A)
2. Corporate Debt Securities (including Commercial Paper) having external rating between A+ and BBB-
3. Common Equity Shares Included in NSE CNX Nifty index and/or S&P BSE Sensex index

Composition of HQLA: The Bank during the three months ended 31st December 2024 maintained average HQLA of Rs.63377 crore of which Level 1 Assets contribute to approximately 99.91% of the total stock of HQLA. Level 1 assets are more stable form of asset with no or lower haircut for meeting any cash outflow. Facility to avail Liquidity for Liquidity Coverage Ratio constitutes the highest portion to HQLA i.e. around **68.00%** approx. of the total HQLA.

The percentage of weighted excess SLR to total HQLA has declined from 25.81% as on 30.09.2024 to 13.69% as on 31.12.2024 as Unweighted Borrowing as a percentage of unweighted total cash outflows increased from 0.20% as on 30.09.2024 to 2.77% as on 31.12.2024.

Level 2 assets which are lower in quality as compared to Level 1 assets constitute 0.09% of the total stock of HQLA against maximum permissible level of 40%.

Concentration of Funding Sources: Our Funding sources is well spread with diversified liabilities portfolio comprising mainly of

- Non-maturing deposits
- Term Deposit of which majority portion is from Retail Customers.

Funding Profile: Retail Deposits and Deposits from Small Business Customer put together contribute around 50.10% of total weighted Cash outflow (21.83% of total un-weighted Cash outflow) as on 31.12.2024. Deposits from Non-financial Corporates, Central Banks, Multilateral development banks and PSEs contribute to 34.62% of total weighted Cash outflows (14.62% of total un-weighted Cash outflows) as on 31.12.2024.

The percentage of Unweighted Other Legal entity Deposits to Total Unweighted Cash outflows has improved from 4.16% as on 30.09.2024 to 2.73% as on 31.12.2024.

Bank is monitoring the funding sources on regular interval with the objective to monitor/reduce the concentration of funds having lower stability. Bank also monitors the concentration of top 20 depositors on regular intervals.

The Bank is comfortably placed to maintain minimum regulatory limit of 100% if the draft RBI guidelines on LCR is implemented.