

## Liquidity Coverage Ratio (LCR):

### Quantitative Disclosure:

#### LIQUIDITY COVERAGE RATIO (For quarter ended June 2024)-

		(Amount in Rs. Crores)	
		Quarter ended 30.06.2024	
		Total Un-weighted Value (Average)	Total Weighted Value (Average)
<b>High Quality Liquid Assets</b>			
1	Total High quality Liquid Assets(HQLA)		64,059.74
<b>Cash Outflows</b>			
2	Retails Deposit and deposits from small business customers, of which	1,81,227.44	18,057.44
(i)	Stable Deposit	1,306.05	65.3
(ii)	Less Stable Deposit	1,79,921.38	17,992.14
3	Unsecured Wholesale Funding, of which	68,396.14	26,544.17
(i)	Operational Deposits ( All Counterparties )	-	-
(ii)	Non- Operational Deposits ( All Counterparties )	68,396.14	26,544.17
(iii)	Unsecured Debt	-	-
4	Secured Wholesale Funding		-
5	Additional Requirements, of Which	22,675.81	4,110.66
(i)	Outflows related to derivative exposures and other Collateral Requirements	879.02	879.02
(ii)	Outflows related to loss of funding on debt Products	-	-
(iii)	Credit and Liquidity facilities	12,796.79	3,231.64
6	Other Contractual funding Obligations	1,746.67	1,746.67
7	Other Contingent Funding Obligations	12,647.84	401.07
8	<b>Total Cash Outflows</b>		50,861.01

<b>Cash Inflows</b>			
9	Secured Lending (eg. Reverse Repos )	124.14	124.14
10	Inflows from Fully Performing Exposures	4,399.97	3,317.69
11	Other Cash inflows	348.34	348.34
12	<b>Total Cash inflows</b>	4,872.45	3,790.09
		Total Adjusted Value	
13	<b>Total HQLA</b>		64,059.74
14	<b>Total Net Cash Outflow</b>		47,070.93
15	<b>Liquidity Coverage Ratio (%)</b>		136.09%

\* Average of Daily LCR of 2024-25 i.e. from April 24 to June 24

#### **Qualitative Assessment of LCR data and Result :**

Liquidity Coverage Ratio (LCR) has been introduced with the objective that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for next 30 calendar day time horizon. RBI mandates Banks to maintain minimum LCR of 100%. Minimum requirement of LCR as stipulated by RBI is 100% for the calendar year 2019 onwards. RBI has mandated the management of LCR for individual as well as group Bank operations. Accordingly, Bank is disclosing the LCR at solo and consolidated level. The entities included while computing consolidated LCR are UCO Bank Solo (Domestic & overseas operation of Hong Kong and Singapore Center).

#### **Drivers of a Comfortable LCR:**

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

<b>Drivers</b>	<b>Particulars</b>
Comfortable level of High Quality Liquid Assets (HQLA)	The Bank is maintaining substantial level of HQLA in the form of Government Securities in excess over the mandatory SLR requirement which can be easily sold or could be used for generating quick liquidity in stressed conditions.
Funding from Retail Deposits / Small Business Customers	As retail deposits or deposits from small business customers are considered stable during Stress Scenario and accordingly the bank is focusing on accretion of retail deposits and is reducing dependence on corporate deposits and deposits from bank / FI / NBFC.

**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)**

- **Under 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% under the Basel II
2. Corporate Bonds and Commercial Papers having minimum rating of AA-

- **Under 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

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 coming from Retail Customers

