

Liquidity Coverage Ratio (LCR):

Quantitative Disclosure:

LIQUIDITY COVERAGE RATIO (For quarter ended Sep 2024)-

(Amount in Rs. Crores)			
		Quarter ended 30.09.2024	
		Total Un-weighted Value (Average)	Total Weighted Value (Average)
High Quality Liquid Assets			
1	Total High quality Liquid Assets(HQLA)		67,480.57
Cash Outflows			
2	Retails Deposit and deposits from small business customers, of which	1,86,251.22	18,557.79
(i)	Stable Deposit	1,346.71	67.34
(ii)	Less Stable Deposit	1,84,904.51	18,490.45
3	Unsecured Wholesale Funding, of which	72,301.58	28,906.65
(i)	Operational Deposits (All Counterparties)		
(ii)	Non- Operational Deposits (All Counterparties)	72,301.58	28,906.65
(iii)	Unsecured Debt		
4	Secured Wholesale Funding		-
5	Additional Requirements, of Which	24,895.17	4,104.13
(i)	Outflows related to derivative exposures and other Collateral Requirements	554.24	554.24
(ii)	Outflows related to loss of funding on debt Products		
(iii)	Credit and Liquidity facilities	24,340.93	3,549.89
6	Other Contractual funding Obligations	2,082.78	2,082.78
7	Other Contingent Funding Obligations	13,078.67	414.45
8	Total Cash Outflows		54,065.80
Cash Inflows			
9	Secured Lending (eg. Reverse Repos)	217.29	217.29
10	Inflows from Fully Performing Exposures	6,488.90	5,224.44
11	Other Cash inflows	648.30	648.30
12	Total Cash inflows	7,354.49	6,090.03
		Total Adjusted Value	
13	Total HQLA		67,480.57
14	Total Net Cash Outflow		47,975.77
15	Liquidity Coverage Ratio (%)		140.66%

* Average of Daily LCR of Q2 2024-25 i.e. from July 24 to Sep 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 the Bank is not required to maintain any minimum LCR at respective centers.

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
Comfortable level of 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 which can be easily sold or could be used for generating quick liquidity in stressed conditions.
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.

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 30th September 2024 maintained average HQLA of Rs.67480 crore of which Level 1 Assets contribute to approximately 98.85% 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 63.00% approx. of the total HQLA.

Level 2 assets which are lower in quality as compared to Level 1 assets constitute 1.15% 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 coming from Retail Customers.

Funding Profile: Retail Deposits and Deposits from Small Business Customer put together contribute around 53.50% of total weighted Cash outflow (24% of total un-weighted Cash outflow) as on 30.09.2024. Deposits from Non-financial Corporates, Central Banks, Multilateral development banks and PSEs contribute to 35.70% of total weighted Cash outflows (16% of total un-weighted Cash outflows) as on 30.09.2024.

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.