

DISCLOSURE ON LIQUIDITY COVERAGE RATIO (LCR) AS ON 30.06.2024

The Liquidity Coverage Ratio (LCR) is one of the Basel Committee's key reforms to develop a more resilient banking sector. The LCR is expected to improve the banking sector's ability to absorb shocks arising from financial and economic stress, thus reducing the risk of spill over from the financial sector to the real economy. The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board. Liquidity Coverage Ratio (LCR) standard 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 a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

The LCR is calculated by dividing a Bank's stock of HQLA by its total net cash outflows over a 30-day stress period.

The average LCR for the quarter ended June 30, 2024 was at 196.92 % as against 205.09 % for the quarter ended March 31, 2024 and well above the present prescribed minimum requirement of 100%. The average HQLA for the quarter ended June 30, 2024 was 96294 crore as against was 98005 crore for the quarter ended March 31 2024.

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		Quarter Ended March 2024		Quarter Ended June 2024	
(Rs in crore)		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets					
1	Total High Quality Liquid Assets (HQLA)		98005		96294
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:				
(i)	Stable deposits	163784	8189	28437	1422
(ii)	Less stable deposits	175026	17503	310740	31074
3	Unsecured wholesale funding, of which:				
(i)	Operational deposits (all counterparties)	0	0	0	0
(ii)	Non-operational deposits (all counterparties)	36287	15691	36311	19741
(iii)	Unsecured debt	0	0	0	0
4	Secured wholesale funding		0		0

5	Additional requirements, of which				
(i)	Outflows related to derivative exposures and other collateral requirements	8294	8294	8181	8181
(ii)	Outflows related to loss of funding on debt products	0	0	0	0
(iii)	Credit and liquidity facilities	2617	2580	2651	2628
6	Other contractual funding obligations	2997	2997	2599	2599
7	Other contingent funding obligations	163313	7930	32652	1387
8	TOTAL CASH OUTFLOWS		63185		67031
Cash Inflows					
9	Secured lending (e.g reverse repo)	38	0	0	0
10	Inflows from fully performing exposures	3035	3035	3103	3103
11	Other cash inflows	14609	12364	17743	15027
12	TOTAL CASH INFLOWS	17682	15399	20846	18130
			TOTAL ADJUSTED VALUE		TOTAL ADJUSTED VALUE
13	TOTAL HQLA		98005		96294
14	TOTAL NET CASH OUTFLOWS		47785		48901
15	LIQUIDITY COVERAGE RATIO (%)		205.09%		196.92%