DISCLOSURE ON LIQUIDITY COVERAGE RATIO (LCR) AS ON 31.12.2023

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 December 31, 2023 was at 198.60 % as against 236.58% for the quarter ended September 30, 2023 and well above the present prescribed minimum requirement of 100%. The average HQLA for the quarter ended December 31, 2023 was 88853 crore as against 101186 crore for the quarter ended September 30, 2023.

The average LCR for the quarter ended December 31, 2023 was at 198.60 %.

		Quarter Ended December 2023		**Quarter Ended September 2023**	
(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)		88853		101186
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:				
(i)	Stable deposits	172139	8607	170614	8531
(ii)	Less stable deposits	160534	16053	157098	15710
3	Unsecured wholesale funding, of which:				
(i)	Operational deposits (all counterparties)	0	0	0	0
(ii)	Non-operational deposits (all counterparties)	36901	15455	35740	14992
(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	7610	7610	10618	10618
(ii)	Outflows related to loss of funding on debt products	0	0	0	0
(iii)	Credit and liquidity facilities	2635	2599	2558	2522
6	Other contractual funding obligations	3300	3300	3055	3055
7	Other contingent funding obligations	159581	7757	167469	8155
8	**TOTAL CASH OUTFLOWS**		61381		63583
Cash Inflows					
9	Secured lending (e.g reverse repo)	0	0	0	0
10	Inflows from fully performing exposures	2685	2685	2247	2247
11	Other cash inflows	16513	13955	20114	18565
12	**TOTAL CASH INFLOWS**	19198	16641	22361	20813
			TOTAL ADJUSTED VALUE		TOTAL ADJUSTED VALUE
13	**TOTAL HQLA**		**88853**		**101186**
14	**TOTAL NET CASH OUTFLOWS**		**44740**		**42770**
15	**LIQUIDITY COVERAGE RATIO (%)**		**198.60%**		**236.58%**