

DISCLOSURE ON LIQUIDITY COVERAGE RATIO (LCR) AS ON 31.12.2022

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 2022 was at 289.57% as against 288.01% for the quarter ended September 2022 and well above the present prescribed minimum requirement of 100%. The average HQLA for the quarter ended December 2022 was 105549 crore as against was 116581 crore for the quarter ended September 2022.

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		Quarter Ended December 2022		Quarter Ended September 2022	
(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)		105549		116581
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:				
(i)	Stable deposits	164738	8237	164904	8245
(ii)	Less stable deposits	146013	14601	144828	14483
3	Unsecured wholesale funding, of which:				
(i)	Operational deposits (all counterparties)	0.00	0	0.00	0
(ii)	Non-operational deposits (all counterparties)	29082	12327	30126	12776
(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	20653	20653	17921	17921
(ii)	Outflows related to loss of funding on debt products	0	0	0	0
(iii)	Credit and liquidity facilities	1362	1333	1407	1332
6	Other contractual funding obligations	4202	4202	4640	4640
7	Other contingent funding obligations	139687	6753	163011	7913
8	TOTAL CASH OUTFLOWS		68107		67311
Cash Inflows					
9	Secured lending (e.g reverse repo)	1268	0	10817	0
10	Inflows from fully performing exposures	2117	2117	866	866
11	Other cash inflows	31273	29540	26806	25966
12	TOTAL CASH INFLOWS	34657	31657	38490	26833
			TOTAL ADJUSTED VALUE		TOTAL ADJUSTED VALUE
13	TOTAL HQLA		105549		116581
14	TOTAL NET CASH OUTFLOWS		36451		40478
15	LIQUIDITY COVERAGE RATIO (%)		289.57%		288.01%