
Liquidity Coverage ratio: June 30, 2019.

The Bank adheres to RBI guidelines on Liquidity Coverage Ratio, Liquidity Risk Monitoring Tools and the LCR Disclosure Standards pursuant to the Basel III Framework on Liquidity Standards that are applicable to banks in India with effect from January 1, 2015. Liquidity Coverage Ratio (LCR) promotes short-term resilience of banks to potential liquidity disruptions by ensuring that they have sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days. LCR is computed on a daily basis from 1st January 2017. Bank has computed the LCR of the IFSC banking Unit at GIFT City on a standalone basis as per the extant guidelines. Bank has consistently maintained LCR above 100% during Q1 of Fiscal 2020, as against the regulatory minimum of 100%.

On an average, 98% of the HQLA maintained by the Bank comprises of Level 1 assets which is the most liquid asset category. Cash in hand, excess CRR and SLR, G-Sec within mandatory SLR requirement permitted by RBI under MSF (presently 2% of NDTL) and facility to avail liquidity ratio (13.5% of NDTL) constitutes Level 1 HQLA. Level 2 Assets maintained by the Bank comprises of (a) marketable securities representing claims on or claims guaranteed by sovereigns, Public Sector Entities (PSEs) or multilateral development banks that are assigned a 20% risk weight under the Basel III Standardized Approach for credit risk and that are not issued by a bank/financial institution/NBFC or any of its affiliated entities and (b) Corporate bonds, not issued by a bank/financial institution/NBFC or any of its affiliated entities, which have been rated BBB- or above by an Eligible Credit Rating Agency. HQLA is also well diversified across various instruments and liquid asset types and provides the Bank with adequate and timely liquidity.

Bank has a well-diversified funding portfolio. Retail deposits, considered as stable from a liquidity perspective is the major funding source of the Bank, indicating lower dependence of the Bank on wholesale funds.

The liquidity risk management in the Bank is guided by the ALM Policy. Asset Liability Management Committee (ALCO) is the executive level committee responsible for ALM process in the Bank. Bank's liquidity management is actively done by the Treasury department as per the directions of ALCO. Integrated Risk Management Department actively monitors the liquidity position of the Bank and apprises ALCO on a continuous basis to initiate appropriate actions to ensure that the liquidity position is well within the Risk Appetite set by the Board of Directors.

The following table sets out average LCR of the Bank (Consolidated) for quarter ended June 30, 2019 and March 31, 2019.

(Amount in ₹ lakhs)

Particulars		Quarter Ended June 30,2019		Quarter Ended March 31,2019	
		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)	2338275.65	2327826.66	2163611.49	2156371.44
CASH OUTFLOWS					
2	Retail deposits and deposits from small business customers of which:	11697034.49	1089703.68	11157594.51	1037587.48
(i)	Stable deposits	1599995.39	79999.77	1563439.46	78171.97
(ii)	Less stable deposits	10097039.10	1009703.91	9594155.05	959415.50
3	Unsecured wholesale funding, of which:	858532.82	455459.54	844661.22	492579.24
(i)	Operational deposits (all counterparties)	0.00	0.00	0.00	0.00
(ii)	Non-operational deposits (all counterparties)	858532.82	455459.54	844661.22	492579.24
(iii)	Unsecured debt	0.00	0.00	0.00	0.00
4	Secured wholesale funding	104995.93	0.00	126835.47	0.00
5	Additional requirements, of which	108.91	108.91	782.91	782.91
(i)	Outflows related to derivative exposures and other collateral requirements	108.91	108.91	782.91	782.91
(ii)	Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00
(iii)	Credit and liquidity facilities	0.00	0.00	0.00	0.00
6	Other contractual funding obligations	2583137.78	328878.85	2017938.97	196852.36
7	Other contingent funding obligations	678976.19	20369.29	711066.87	21332.01
8	TOTAL CASH OUTFLOWS	15922786.13	1894520.27	14858879.94	1749134.00
CASH INFLOWS					
9	Secured lending (e.g. reverse repos)	40169.62	0.00	15278.03	0.00
10	Inflows from fully performing exposures	605378.63	417917.86	510500.60	367538.21
11	Other cash inflows	3.43	3.43	663.83	663.83
12	TOTAL CASH INFLOWS	645551.67	417921.28	526442.45	368202.04
TOTAL HQLA			2327826.66		2156371.44
TOTAL NET CASH OUTFLOWS			1476598.99		1380931.96
LIQUIDITY COVERAGE RATIO (%)			157.65%		156.15%