

### **Liquidity Coverage Ratio: December 31, 2020.**

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 1<sup>st</sup> 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 not computed LCR separately for any foreign currency since the aggregate liabilities denominated in any foreign currency doesn't amount to 5 percent or more of the Bank's total liabilities. Bank has consistently maintained LCR above 90% during Q3 of Fiscal 2021, as against the regulatory minimum of 90%.

On an average, 95% 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 3% of NDTL) and facility to avail liquidity ratio (presently 15% 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 should provide 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 December 31, September 30, June 30 and March 31, 2020.

(Amount in ₹ lakhs)

Particulars	Quarter Ended December 31,2020		Quarter Ended September 30,2020		Quarter Ended June 30,2020		Quarter Ended March 31,2020		
	Total	Total weighted	Total	Total	Total	Total	Total	Total	
<b>HIGH QUALITY LIQUID ASSETS</b>									
<b>1</b>	<b>Total High Quality Liquid Assets (HQLA)</b>	<b>3911886.89</b>	<b>3881044.78</b>	<b>3902627.77</b>	<b>3874870.57</b>	<b>3503299.54</b>	<b>3484487.16</b>	<b>2914028.12</b>	<b>2897624.77</b>
<b>CASH OUTFLOWS</b>									
2	Retail deposits and deposits from small	13948908.72	1172808.16	13829301.82	1161964.15	13369138.55	1124871.45	12549174.60	1171949.36
(i)	Stable deposits	4441654.17	222082.71	4419320.60	220966.03	4240848.06	212042.40	1659362.07	82968.10
(ii)	Less stable deposits	9507254.55	950725.45	9409981.22	940998.12	9128290.49	912829.05	10889812.54	1088981.25
3	Unsecured wholesale funding, of which:	996180.77	448922.77	1049822.29	496050.44	1094255.41	511457.37	1217850.86	599451.68
(i)	Operational deposits (all counterparties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii)	Non-operational deposits (all counterparties)	996180.77	448922.77	1049822.29	496050.44	1094255.41	511457.37	1217850.86	599451.68
(iii)	Unsecured debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Secured wholesale funding	542959.92	0.00	391663.41	0.00	233431.82	0.00	92250.43	0.00
5	Additional requirements, of which	1863.81	1863.81	1807.29	1807.29	1594.72	1594.72	186.50	186.50
(i)	<i>Outflows related to derivative exposures and</i>	<i>1863.81</i>	<i>1863.81</i>	<i>1807.29</i>	<i>1807.29</i>	<i>1594.72</i>	<i>1594.72</i>	<i>186.50</i>	<i>186.50</i>
(ii)	<i>Outflows related to loss of funding on debt</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
(iii)	<i>Credit and liquidity facilities</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
6	Other contractual funding obligations	3359911.42	319570.40	3509879.48	327419.73	3262898.93	307563.01	3069058.72	292101.29
7	Other contingent funding obligations	809765.30	24292.96	801048.54	24031.46	818353.62	24550.61	795810.11	23874.30
<b>8</b>	<b>TOTAL CASH OUTFLOWS</b>	<b>19659589.94</b>	<b>1967458.10</b>	<b>19583522.82</b>	<b>2011273.06</b>	<b>18779673.05</b>	<b>1970037.16</b>	<b>17724331.22</b>	<b>2087563.14</b>
<b>CASH INFLOWS</b>									
9	Secured lending (e.g. reverse repos)	1211968.10	0.00	1224276.00	0.00	663098.78	0.00	240001.62	0.00
10	Inflows from fully performing exposures	664356.16	527692.93	588714.00	491879.50	488963.80	448914.77	665290.40	524599.51
11	Other cash inflows	50.00	50.00	0.00	0.00	0.00	0.00	78.67	78.67
<b>12</b>	<b>TOTAL CASH INFLOWS</b>	<b>1876374.25</b>	<b>527742.93</b>	<b>1812990.00</b>	<b>491879.50</b>	<b>1152062.58</b>	<b>448914.77</b>	<b>905370.69</b>	<b>524678.18</b>
<b>TOTAL HQLA</b>			<b>3881044.78</b>		<b>3874870.57</b>		<b>3484487.16</b>		<b>2897624.77</b>
<b>TOTAL NET CASH OUTFLOWS</b>			<b>1439715.17</b>		<b>1519393.56</b>		<b>1521122.39</b>		<b>1562884.96</b>
<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>269.57%</b>		<b>255.03%</b>		<b>229.07%</b>		<b>185.40%</b>