Liquidity Coverage Ratio

(₹ millions)

		Quarter ended June 30, 2016	
Particulars		**Total Unweighted Value (average)***	**Total Weighted Value (average)***
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)		**1,095,573.2**
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	**3,598,043.4**	**328,629.3**
(i)	Stable deposits	623,500.8	31,175.0
(ii)	Less stable deposits	2,974,542.6	297,454.3
3	Unsecured wholesale funding, of which:	**1,576,113.8**	**812,057.9**
(i)	Operational deposits (all counterparties)	212,902.1	52,620.8
(ii)	Non-operational deposits (all counterparties)	1,301,599.4	697,824.8
(iii)	Unsecured debt	61,612.3	61,612.3
4	Secured wholesale funding		3,952.7
5	Additional requirements, of which	**932,372.3**	**578,013.8**
(i)	Outflows related to derivative exposures and other collateral requirement	469,071.8	469,071.8
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facilities	463,300.5	108,942.0
6	Other contractual funding obligation	163,445.8	163,445.8
7	Other contingent funding obligations	479,153.7	14,374.6
8	Total Cash Outflows		**1,900,474.1**
Cash Inflows			
9	Secured lending (e.g. reverse repo)	13,551.7	32.8
10	Inflows from fully performing exposures	347,402.0	185,737.1
11	Other cash inflows	628,707.6	573,019.9
12	Total Cash Inflows	**989,661.3**	**758,789.8**
			Total Adjusted Value
13	TOTAL HQLA		1,095,573.2
14	Total Net Cash Outflows		1,141,684.3
15	Liquidity Coverage Ratio (%)		**95.96%**

* The average weighted and unweighted amounts are calculated taking simple average of April 2016, May 2016 and June 2016 figures.

Qualitative

The Liquidity Coverage Ratio (LCR) is a global minimum standard for bank liquidity. It aims to ensure that a bank has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

The LCR is calculated by dividing the amount of High Quality Liquid unencumbered Assets (HQLA) by the estimated net outflows over a stressed 30 calendar day period. The net cash outflows are calculated by applying RBI prescribed outflow factors to the various categories of liabilities (deposits, unsecured and secured wholesale borrowings), as well as to undrawn commitments and derivative-related exposures, partially offset by inflows from assets maturing within 30 days. The average LCR for the quarter ended June 30, 2016 was at 95.96%, above the RBI prescribed minimum requirement of 70%. The average HQLA was ₹ 1,095,573.2 million of which government securities constituted about 78%. The outflows related to derivative exposures (net of cash inflows) / collateral requirements and undrawn commitments constituted about 2% and 6% respectively of average cash outflow of ₹ 1,141,684.3 million. Average inflows from assets were ₹ 758,789.8 million.

Average LCR for quarter ended June 30, 2016 compared to the previous quarter ended March 31, 2016 is higher, mainly on account of increase in unencumbered SLR securities holding.

A strong and diversified liabilities profile has been at the helm of the Bank's growth strategy. The Bank has consistently maintained a robust funding profile with a significant portion of funding through deposits. As of June 30, 2016 the top 20 depositors comprised 6% of total deposits approximately.

Note:

1. LCR for the quarter ended June 30, 2016 is computed on a consolidated basis as required by RBI guidelines.