# Liquidity Coverage Ratio: December 31, 2020

Liquidity Coverage Ratio (LCR) is aimed at promoting short-term resilience of banks to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Assets (HQLA) to survive an acute stress scenario lasting for 30 days.

Minimum Requirement for Small Finance Banks (as per RBI circular RBI/2019-20/217 DOR.BP.BC.No.65/21.04.098/2019-20 dated Apr 17,2020) is as below:

| | From April 17, 2020 | From October 1, 2020 | From April 1, 2021 |
|---|---|---|---|
| **Minimum LCR** | 80% | 90% | 100% |

The following table sets out average LCR of the Bank for quarter ended December 31, 2020:

(Rs in Crores)

| | | Total Unweighted Value (Average) | Total Weighted Value (Average) |
|---|---|---|---|
| **High Quality Liquid Assets** | | | |
| 1 | Total High Quality Liquid Assets (HQLAs) | | **8,681** |
| **Cash Outflows** | | | |
| 2 | Retail deposits and deposits from small business customers, of which: | | |
| (i) | Stable deposits | 2,553 | 128 |
| (ii) | Less Stable deposits | 10,483 | 1,048 |
| 3 | Unsecured wholesale funding, of which: | | |
| (i) | Operational deposits (all counterparties) | - | - |
| (ii) | Non-Operational deposits (all counterparties) | 7,148 | 5,809 |
| (iii) | Unsecured debt | 351 | 351 |
| 4 | Secured wholesale funding | | |
| 5 | Additional requirements, of which: | | |
| (i) | Outflows related to derivatives exposure and other collateral requirement | | |
| (ii) | Outflows related to loss of funding on debt products | | |
| (iii) | Credit and liquidity facilities | | |
| 6 | Other contractual funding obligations | 746 | 746 |
| 7 | Other contingent funding obligations | 4,292 | 187 |
| 8 | **Total Cash Outflows** | | **8,269** |
| **Cash Inflows** | | | |
| 9 | Secured lending (e.g. reverse repos) | 1,743 | - |
| 10 | Inflows from fully performing exposures | 1,180 | 910 |
| 11 | Other cash inflows | 463 | 231 |
| 12 | **Total Cash Inflows** | | **1,142** |
| | | | Total Adjusted Value |
| 13 | **TOTAL HQLA** | | **8,681** |
| 14 | **TOTAL NET CASH OUTFLOWS** | | **7,127** |
| 15 | **LIQUIDITY COVERAGE RATIO (%)** | | **122%** |