Liquidity Coverage Ratio 2018-19

	(Rs in Crore)	Current Year								Previous year	
		Jun Q1*	2018-19	Sep Q2*	2018-19	Dec Q3*	2018-19	Mar Q4*	2018-19	Mar Q4*	2017-18
	HIGH QUALITY LIQUID ASSETS	Total UnWeighted Value (Average)	Total Weighted Value (Average)	Total UnWeighted Value (Average)	Total Weighted Value (Average)	Total UnWeighted Value (Average)	Total Weighted Value (Average)	Total UnWeighted Value (Average)	Total Weighted Value (Average)	Total UnWeighted Value (Average)	Total Weighted Value (Average)
1	Total High Quality Liquid Assets (HQLA)		33814.62		37564.48		42337.98		44051.84		39030.05
Cash Outflows											
2	Retail deposits and deposits from Small business customers, of which:	100699.62	9740.19	99750.08	9675.24	99311.01	9656.68	102063.09	9916.11	95428.85	9216.13
(i)	Stable Deposits	6595.53	329.78	5995.30	299.76	5488.44	274.42	5804.08	290.20	6535.03	326.75
(ii)	Less Stable deposits	94104.09	9410.41	93754.78	9375.48	93822.58	9382.26	96259.02	9625.90	88893.82	8889.38
3	**Unsecured wholesale funding**	58874.79	25829.15	61730.36	27103.66	68168.06	30851.55	71407.61	32032.99	55811.41	23951.73
(i)	Operational deposits (all counterparties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii)	Non operational deposits (all counterparties)	58697.02	25651.37	61522.39	26895.69	67996.25	30679.74	71147.28	31772.67	55688.76	23829.08
(iii)	Unsecured debt	177.78	177.78	207.96	207.96	171.81	171.81	260.33	260.33	122.65	122.65
4	Secured wholesale funding		0.00		0.00		0.00		0.00		0.00
5	Additional requirements, of which	31536.72	3779.44	31694.37	3929.06	30729.99	4007.77	30801.33	4058.62	30997.58	3723.75
(i)	Outflows related to derivative exposures and other collateral requirements	37.47	37.47	20.65	20.65	48.37	48.37	110.06	110.06	28.12	28.12
(ii)	Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Credit and liquidity facilities	31499.25	3741.96	31673.71	3908.40	30681.62	3959.40	30691.27	3948.56	30969.46	3695.62
6	Other contractual funding obligations	1171.85	1171.85	816.43	816.43	1284.69	1284.69	1971.22	1971.22	773.33	773.33
7	Other contingent funding obligations	23174.44	695.23	23338.02	700.14	22223.42	666.70	20650.53	619.52	21261.11	637.83
8	TOTAL CASH OUTFLOWS		41215.85		42224.52		46467.40		48598.46		38302.76
Cash Inflows											
9	Secured lending (e.g. reverse repos)	90.92	0.00	495.90	0.00	825.84	0.00	935.44	0.00	53.41	0.00
10	Inflows from fully performing exposures	12279.59	6385.74	11773.40	6278.16	12791.58	6979.32	12892.90	7134.24	12668.47	6787.92
11	Other cash inflows	3226.13	3226.13	2560.34	2560.34	3963.96	3963.96	4669.10	4669.10	3267.38	3267.38
12	TOTAL CASH INFLOWS	15596.64	9611.87	14829.64	8838.50	17581.38	10943.27	18497.45	11803.34	15989.26	10055.30
21	TOTAL HQLA		33814.62		37564.48		42337.98		44051.84		39030.05
22	TOTAL NET CASH OUTFLOWS		31603.99		33386.02		35524.12		36795.12		28247.47
23	LIQUIDITY COVERAGE RATIO(%)		106.99%		112.52%		119.18%		119.72%		138.17%

*: LCR is based on Daily average

Chief Manager

Statutory Auditors

INDIAN BANK C.O. Chennai RISK MANAGEMENT

CO. NEW DELHI

The LCR is designed to promote short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficient high quality liquid resources to survive an acute stress scenario lasting for 30 days. As per the RBI guidelines minimum requirement of LCR as on January 1, 2019 is 100%. The methodology for estimating the LCR is based on RBI guidelines.

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 derivatives-related exposures, partially offset by inflows from assets maturing within 30 days.

The bank during the quarter ended March 31, 2019 had maintained average HQLA (after haircut) of Rs. 44051.84 Crores as against the average liquidity requirement of Rs. 36795.12 Crores at a minimum LCR requirement of 100%. HQLA primarily included government securities in excess of minimum Statutory Liquidity Ratio (SLR), the extent allowed under the Marginal Standing Facility (MSF) and the Facility to Avail Liquidity for LCR (FALLCR). Additionally cash, balances in excess of cash reserve requirement with RBI and the overseas central banks form part of level 1 HQLA. The Daily average LCR of the Indian bank for the quarter ended March 31, 2019 was 119.72%.

The main drivers of LCR of the bank are sufficient high quality liquid assets (HQLAs) to meet liquidity needs of the bank at all times. The weighted cash outflows are primarily driven by unsecured wholesale funding which contributed 65.91% of the total weighted cash outflows. Retail deposits including deposits from small business customers contributed 20.40% of the total weighted cash outflows. The other contingent funding obligations primarily include bank guarantees (BGs) and letters of credit (LCs) issued on behalf of the Bank's clients.

Bank has one significant counterparty in the deposits as on 31.03.2019. The largest depositor contributed 3.07% of total deposits. The total contribution of the top 20 largest domestic depositors as on 31.03.2019 is 10.55% of the total deposits. The significant product / instruments include Savings deposit, Current deposit and Term deposits which are 25.27%, 4.73% and 56.43% of bank's total liability respectively, the funding from which are widely spread and cannot create concentration risk for the bank.

Bank's Liquidity is managed by the Asset Liability Management Committee (ALCO) and contingency funding plan is in place based on the quarterly stress testing results.