RBL BANK

LIQUIDITY COVERAGE RATIO (LCR) - SEPTEMBER 30, 2016

(₹ in lacs)

		Q2 - September 2016		Q1 - June 2016	
		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)		473,713		451,893
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:	731,106	72,467	623,906	61,797
(i)	Stable deposits	12,879	644	11,866	593
(ii)	Less stable deposits	718,227	71,823	612,040	61,204
3	Unsecured wholesale funding, of which:	1,094,024	624,600	923,242	546,691
(i)	Operational deposits (all counterparties)	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	1,094,024	624,600	923,242	546,691
(iii)	Unsecured debt	-	-	-	-
4	Secured wholesale funding		-		-
5	Additional requirements, of which	10,187	10,187	9,423	9,423
(i)	Outflows related to derivative exposures and other collateral requirements	2,593	2,593	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-
6	Other contractual funding obligations	-	-	-	-
7	Other contingent funding obligations	761,228	22,837	670,621	20,119
8	**Total Cash Outflows**		730,091		638,030
Cash Inflows					
9	Secured lending (e.g. reverse repos)	12,718	12,718	2,291	2,291
10	Inflows from fully performing exposures	151,029	75,514	165,773	82,886
11	Other cash inflows	76,091	73,396	73,595	70,281
12	**Total Cash Inflows**	239,838	161,628	241,659	155,458
			Total Adjusted Value		**Total Adjusted Value**
21	**TOTAL HQLA**		473,713		451,893
22	**Total Net Cash Outflows**		568,463		482,572
23	**Liquidity Coverage Ratio (%)**		83.33		93.64

* The average weighted and un-weighted amounts are calculated taking simple average of July'16, August'16 and September'16 figures.

** The average weighted and un-weighted amounts are calculated taking simple average of April'16, May'16 and June'16 figures.

Qualitative

The Liquidity Coverage Ratio (LCR) is a global minimum standard for Banks' Liquidity Risk Management. 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 the next 30 calendar day liquidity stress scenario.

The LCR is calculated as a ratio of Bank's High Quality Liquid Assets (HQLA) by the estimated net outflows over next 30 calendar day period of significant stress. Bank's HQLA mainly consists of Level 1 Assets comprising of excess of SLR balances, the extent allowed under the Marginal Standing Facility (MSF) and Facility to Avail Liquidity for Liquidity Coverage Ratio (FALLCR). Additionally, cash, balances in excess of cash reserve requirement with RBI also form part of Level 1 HQLA. Level 2 HQLA primarily consists of corporate bonds, debentures, commercial papers issued by non-financial institutions which are rated AA- and above as Level 2A and rated BBB- to A+, as level 2B, respectively, considered at prescribed haircuts. Cash outflows are calculated by applying RBI prescribed outflow factors to the various categories or types of liabilities by the outflow run-off rates and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in.

Effective January 2016, the minimum LCR requirement is 70%. The average LCR for the quarter ended June 30, 2016 was at 93.64% and for the quarter ending September 30, 2016, it was 83.33%.