

Liquidity Coverage Ratio for the quarter ended Dec 31, 2024

The Basel Committee for Banking Supervision (BCBS) had proposed the liquidity coverage ratio (LCR) in order to ensure that a bank has an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days.

in crs

Particulars	Quarter Ended Dec 31, 2024		Quarter Ended Sep 30, 2024	
	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)		59,897		58,898
Cash Outflows				
Retail deposits and deposits from small business customers, of which:				
(i) Stable deposits	19,974	999	19,350	968
(ii) Less stable deposits	122,220	12,222	114,863	11,486
3 Unsecured wholesale funding, of which				
(i) Operational deposits (all counterparties)	-	-	-	-
(ii) Non-operational deposits (all counterparties)	40,240	16,096	39,161	15,664
(iii) Unsecured debt	21,074	21,074	21,647	21,647
4 Secured wholesale funding	10,957	-	9,749	-
5 Additional requirements, of which				
Outflows related to derivative exposures and other				
(i) collateral requirements	31,644	31,644	28,252	28,252
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	8,216	877	8,033	817
6 Other contractual funding obligations	5,448	5,448	4,833	4,833
7 Other contingent funding obligations	73,890	3,199	67,194	2,892
8 TOTAL CASH OUTFLOWS		91,558		86,558
Cash Inflows				
9 Secured lending (e.g. reverse repos)	584	-	1,316	-
10 Inflows from fully performing exposures	10,771	6,485	10,722	6,677
11 Other cash inflows	33,305	32,321	30,088	29,013
12 TOTAL CASH INFLOWS	44,659	38,805	42,125	35,690
		Total Adjusted Value		Total Adjusted Value
21 TOTAL HQLA		59,897		58,898
22 TOTAL NET CASH OUTFLOWS		52,752		50,869
23 LIQUIDITY COVERAGE RATIO (%)		113.54%		115.78%

* The average weighted and unweighted amounts are calculated taking simple daily average of all 3 months of the quarter.

IDFC FIRST Bank follows the guidelines laid down by the RBI for calculation of HQLA, gross outflows and inflows within the next 30 days period. HQLA predominantly comprises cash, excess CRR and investments qualifying to be HQLA as per RBI guidelines. The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board. The Asset Liability Committee (ALCO) is responsible for implementing the liquidity and interest rate risk management strategy of the Bank in line with its risk management objectives set by the Board. The Bank's ALCO has prescribed an internal threshold for LCR which is over the regulatory threshold of 100%. The Bank has maintained LCR well above RBI and Internal thresholds on an ongoing basis.

The Bank is funded through retail CASA, retail term deposits, wholesale term deposits and borrowings viz. Bonds and Refinance Borrowings. All outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation. The Bank closely monitors its LCR daily and proactively manages its liquidity in order to maintain this ratio well above the internal thresholds. The Bank is continuously striving to maintain a robust funding profile driven by granular retail deposits. The above LCR disclosure pertains to standalone as well as consolidated entity, since IDFC FIRST Bank's subsidiaries are not engaged in any lending or borrowing business.