State Bank of India

LCR Disclosure

LCR DISCLOSURE TEMPLATE

Sep-2015

(Rs in Crore)	Total Unweighted Value(Average)	Total Weighted Value(Average)
High Quality Liquid Assets		
1 Total High Quality Liquid Assets(HQLA)		240007.40
Cash Outflows		
2 Retail Deposits and deposits from small business customers, of which:		
(i) Stable deposits	130021.51	6501.08
(ii) Less Stable Deposits	1030285.65	103028.57
3 Unsecured wholesale funding, of which:		
(i) Operational deposits(all counterparties)	1004.39	251.10
(ii) Non-operational deposits(all counterparties)	402590.80	237956.13
(iii) Unsecured debt	0.00	0.00
4 Secured wholesale funding	7392.64	17.49
5 Additional requirements, of which		
(i) Outflows related to derivative exposures and other collateral requirements	73518.30	73518.30
(ii) Outflows related to loss of funding on debt products	0.00	0.00
(iii) Credit and liquidity facilities	180422.67	26527.76
6 Other contractual funding obligations	11705.93	11705.93
7 Other contingent funding obligations	375797.17	18789.86
8 TOTAL CASH OUTFLOWS	2212739.07	478296.20
Cash Inflows		
9 Secured lending(eg. Reverse repos)	1492.33	0.00
10 Inflows from fully performing exposures	136561.86	121491.60
11 Other cash inflows	40069.85	32622.44
12 Total Cash Inflows	178124.05	154114.04
21 TOTAL HQLA		240007.40
22 TOTAL NET CASH OUTFLOWS		324182.16
23 LIQUIDITY COVERAGE RATIO(%)		74.03%

Liquidity Coverage Ratio (LCR) standard has been introduced with the objective that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLA)s that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. At a minimum, the stock of liquid assets should enable the bank to survive until day 30 of the stress scenario, by which time it is assumed that appropriate corrective actions can be taken.

LCR has been defined as <u>Stock of high quality liquid assets (HQLAs)</u>
$$\text{Total net cash outflows over the next 30 calendar days}$$

Liquid assets comprise of high quality assets that can be readily sold or used as collateral to obtain funds in a range of stress scenarios. There are two categories of assets included in the stock of HQLAs, viz. Level 1 and Level 2 assets. Level 1 assets are with 0% haircut while Level 2A assets are with a minimum 15% haircut and Level 2B Assets, with a minimum 50% haircut.

The total net cash outflows is the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. Total expected cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by the rates at which they are expected to run off or be drawn down. Total expected 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 up to an aggregate cap of 75% of total expected cash outflows.

Bank's LCR 74.03**%** (based on average of last three months position) is above the minimum 60% prescribed by RBI. We have sufficient liquid cover for outflows and management is of the view that we are adequately liquid for our short term requirements. Retail deposits constitute major portion of total funding sources, as such, funding sources are well diversified.