

Liquidity Coverage Ratio: December 31, 2025

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 April 17, 2020) is 100%.

The following table sets out average LCR of the Bank for quarter ended December 31, 2025:

Particulars	Quarter ended 31 st December 2025	
	Total Unweighted Value (INR Crores) (average)*	Total Weighted Value (INR Crores) (average)*
High Quality Liquid Assets		
1. Total High-Quality Liquid Assets (HQLA)	0	9,280.36
Cash Outflows		
2. Retail deposits and deposits from small business customers, of which:	20,360.98	1,980.45
(i) Stable deposits	1,112.88	55.64
(ii) Less stable deposits	19,248.10	1,924.81
3. Unsecured wholesale funding, of which:	6,683.01	4,223.44
(i) Operational deposits (all counterparties)	0.00	0.00
(ii) Non-operational deposits (all counterparties)	1,662.56	164.67
(iii) Unsecured debt	5,020.45	4,058.77
4. Secured wholesale funding	1,014.47	29.89
5. Additional requirements, of which	2,106.87	464.95
(i) Outflows related to derivative exposures and other collateral requirements	0.00	0.00
(ii) Outflows related to loss of funding on debt products	0.00	0.00
(iii) Credit and liquidity facilities	2,106.87	464.95
6. Other contractual funding obligations	538.99	538.99
7. Other contingent funding obligations	2.56	0.08
8. Total Cash Outflows	30,706.88	7,237.80
Cash Inflows		
9. Secured lending (e.g. reverse repos)	11.68	0.00
10. Inflows from fully performing exposures	2,116.61	1,419.80
11. Other cash inflows	50.00	0.00
12. Total Cash Inflows	2,178.29	1,419.80
13. TOTAL HQLA		9,280.36
14. Total Net Cash Outflows		5,818.00
15. Liquidity Coverage Ratio (%)		159.51%



* The average weighted and unweighted amounts is calculated taking simple average based on daily observation for the quarter.

Qualitative Disclosure:

The average LCR for the quarter ended Q3 FY 2026 was at 159.51% well above the present prescribed minimum regulatory requirement of 100%.

The HQLA of the Bank primarily includes government securities in excess of Minimum Statutory Liquidity Ratio (SLR), cash, balances in excess of mandatory cash requirements with RBI are also included. However, any encumbered SLR securities used for repo borrowings or given to settlement guarantee funds are excluded from HQLA. Additionally, Marginal Standing Facility (MSF) of 2% and the Facility to Avail Liquidity for LCR (FALLCR) of 16% of NDTL is also part of HQLA. The Bank did not hold any Level 2 HQLA instruments during the period.

To ensure continuous liquidity for meeting all potential outflows, the bank's LCR is strategically managed. Key drivers include optimizing the level of High-Quality Liquid Assets (HQLA), and diversifying the liability book by maturity and source. According to regulatory guidelines, a lower run-off factor applies to deposits from retail and small business customers, while a higher outflow factor is assigned to deposits from financial institutions. Non-callable term deposits with maturities beyond 30 days are not included in the LCR outflow calculations.