IndusInd Bank

BASEL III DISCLOSURE - LIQUIDITY COVERAGE RATIO

The Bank has adopted the Basel III framework on liquidity standards, prescribed by the Reserve Bank of India (RBI) and has put in place requisite systems and processes to enable periodic automated computation and reporting of the Liquidity Coverage Ratio (LCR). The LCR is aimed at measuring and promoting the short-term resilience of the liquidity risk profile of banks by ensuring maintenance of sufficient High Quality Liquid Assets (HQLA) that can be easily and immediately converted into cash to meet the liquidity needs for a 30 calendar day liquidity stress scenario.

The LCR Ratio is calculated by dividing the Bank's stock of HQLA by its total net cash flows over a 30 calendar day stress period, measured on a daily basis for the following 30 days. The prime driver of LCR is determined by its HQLA and the proportion of retail and wholesale funding sources. The HQLA comprises of two parts, i.e. Level 1 HQLA constituents which are primarily cash, excess CRR, SLR securities in excess of the minimum SLR requirement and a portion of mandatory SLR as permitted by the RBI (under MSF and FALLCR) and Level 2 HQLA constituents which are investments in highly rated non-financial corporate bonds and listed equity investments considered with the prescribed regulatory haircuts. The average HQLA for the quarter ended March 31, 2025 was Rs. 1,06,499 crores, as against Rs. 94,773 crores for the quarter ended March 31, 2024. The Cash outflows are determined by multiplying the outstanding balances of the various types / categories of liabilities by the outflow run-off factor and the cash inflows are calculated by multiplying the outstanding balances of the various categories of contractual receivables by inflow run-offs at which they are expected to flow in. Expected derivative cash outflows and inflows are calculated for outstanding contracts in accordance with laid down valuation methodologies and regulatory guidelines. All significant outflows and inflows determined in accordance with the RBI guidelines and are included in the LCR computation as per the prescribed template. Other contractual funding and borrowings which are expected to run down in a 30 day time frame are included in the cash outflows. There are no intragroup exposures for the Bank.

The Bank has maintained LCR well above the minimum regulatory requirements during FY 2024-25. The average LCR maintained by the Bank for the quarter ended March 31, 2025 was at 118.43% against 117.95% for the quarter ended March 31, 2024.

The Asset Liability Committee (ALCO) of the Bank is a decision-making unit responsible for implementing the liquidity and interest rate risk management strategies of the Bank in line with its risk management objectives and ensures adherence to the risk tolerance / limits set by the Board. Liquidity Risk Management of the Bank is centralised and is undertaken by the Asset Liability Management Function in the Global Markets Group in accordance with the Board approved policies.

The Bank's funding sources are diversified across various sources and tenors. The Bank monitors the concentration of funding from various counterparties and segments. The Bank adheres to the regulatory and internal limits on inter-bank liabilities and call money borrowings. Apart from LCR, the Risk Management Department measures and monitors the liquidity profile of the Bank with reference to the Board approved policy and regulatory limits and undertakes liquidity stress testing periodically.

(Rs. in crores)

		March 2025		December 2024		September 2024		June 2024	
		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)**
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)		**1,06,499.45**		**102,720.43**		**108,329.43**		**1,04,458.71**
	Cash Outflows								
2	Retail deposits and deposits from small business customers, of which:	**1,86,502.92**	**18,231.68**	**180,539.29**	**17,621.93**	**173,608.88**	**16,932.71**	**1,66,567.86**	**16,230.27**
(i)	Stable deposits	8,372.24	418.61	8,639.98	432.00	8,563.53	428.18	8,530.40	426.52
(ii)	Less stable deposits	1,78,130.68	17,813.07	171,899.30	17,189.93	165,045.35	16,504.53	1,58,037.46	15,803.75
3	Unsecured wholesale funding, of which:	**1,43,917.83**	**81,322.17**	**146,795.44**	**82,531.38**	**149,071.29**	**86,114.65**	**1,38,307.59**	**78,559.22**
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	1,43,917.83	81,322.17	146,795.44	82,531.38	149,071.29	86,114.65	1,38,307.59	78,559.22
(iii)	Unsecured debt			-	-	-	-	-	-
4	Secured wholesale funding		-		-		-		-
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	25,995.02	25,995.02	15,889.76	15,889.76	21,504.17	21,504.17	15,686.52	15,686.52
(ii)	Outflows related to loss of funding on debt products								
(iii)	Credit and liquidity facilities								
6	Other contractual funding obligations	9,833.91	9,833.91	10,472.72	10,472.72	10,056.95	10,056.95	14,340.77	14,340.77
7	Other contingent funding obligations	2,23,613.84	9,543.80	216,297.19	9,168.21	213,698.55	9,036.41	2,11,173.58	8,927.55
8	**Total Cash Outflows**		**1,44,926.58**		**1,35,684.00**		**1,43,664.89**		**1,33,744.33**
	Cash Inflows								

		March 2025		December 2024		September 2024		June 2024	
		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)**
9	Secured lending (e.g. reverse repos)	8,723.13	-	5,457.08	-	11,269.22	-	8,216.87	-
10	Inflows from fully performing exposures	66,033.68	54,980.27	57,931.15	48,310.14	60,124.71	51,917.98	58,775.88	47,837.35
11	Other cash inflows	38.89	19.44	-	-	-	-	-	-
12	**Total Cash Inflows**		**54,999.71**		**48,310.14**		**51,917.98**		**47,837.35**
13	**Total HQLA**		**1,06,499.45**		**1,02,720.43**		**1,08,329.43**		**1,04,458.71**
14	**Total Net Cash Outflows**		**89,926.87**		**87,373.86**		**91,726.91**		**85,906.98**
15	**Liquidity Coverage Ratio (%)**		**118.43%**		**117.56%**		**118.10%**		**121.60%**

Note: LCR has been computed based on simple average of daily observations for the respective quarters.