



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**

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RBI/2025-26/27  
DOR.LRG.REC.18/03.10.001/2025-26

April 21, 2025

Madam / Dear Sir,

**Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR) – Review of haircuts on High Quality Liquid Assets (HQLA) and review of composition and run-off rates on certain categories of deposits**

Please refer to [circular DBOD.BP.BC.No.120/21.04.098/2013-14 dated June 09, 2014](#) on 'Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards' and associated guidelines. Reference is also invited to the [draft circular](#) on the subject issued on July 25, 2024, inviting feedback from all stakeholders.

2. The feedback received has been carefully analysed and it has been decided to issue final guidelines as under:

- i. A bank shall assign an additional 2.5 per cent run-off factor for retail deposits which are enabled with internet and mobile banking facilities (IMB)<sup>1</sup> i.e., stable retail deposits enabled with IMB shall have 7.5 per cent run-off factor and less stable deposits enabled with IMB shall have 12.5 per cent run-off factor (as against 5 and 10 per cent respectively, prescribed currently).
- ii. Unsecured wholesale funding provided by non-financial small business customers (SBCs) shall be treated in accordance with the treatment of retail deposits as at (i) above.
- iii. Level 1 HQLA in the form of Government securities shall be valued at an amount not greater than their current market value, adjusted for applicable haircuts in line with the margin requirements under the Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) as described in [RBI circular FMOD.MAOG No.125/01.01.001/2017-18 dated June 06, 2018](#), as amended from time to time.
- iv. In case a deposit, hitherto excluded from LCR computation (for instance, a non-callable fixed deposit), is contractually pledged as collateral to secure a credit facility or loan, such deposit shall be treated as callable for LCR purposes and provisions of Sl. No. 9 of annexure to the [circular DBR.BP.BC.No.86/21.04.098/2015-16 dated March 23, 2016](#), shall apply.

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<sup>1</sup> Internet and Mobile Banking facilities (IMB) includes all facilities such as but not limited to internet banking, mobile banking and Unified Payments Interface (UPI) which enables a customer to digitally transfer funds from their account/s.

3. Reference is also invited to Sl. No. 10 of annexure to [circular DBR.BP.BC.No.86/21.04.098/2015-16](#) on 'Liquidity Risk Management & Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards' dated March 23, 2016 which provides that deposits from entities such as Hindu Undivided Families (HUFs), partnerships, Association of Persons (AoPs), trusts etc., shall be treated as deposit from 'other legal entities (OLEs)' under unsecured wholesale funding category and shall attract run-off rate of 100 per cent, provided they are not treated as SBC for LCR purpose.
4. Based on a review, it has now been decided that OLE category shall consist of all deposits and other funding from banks/insurance companies & financial institutions<sup>2</sup> and entities in the 'business of financial services'<sup>3</sup>. Thus, funding from non-financial entities such as trusts (educational/religious/charitable), Association of Persons (AoPs), partnerships, proprietorships, Limited Liability Partnerships and other incorporated entities etc., shall be categorised as funding from 'non-financial corporates' and attract a run-off rate of 40 per cent (as against 100 per cent currently prescribed<sup>4</sup>), unless the above entities are treated as SBCs under LCR framework.
5. These amendments would help improve the liquidity resilience of banks in India and would further align the guidelines with global standards while ensuring that such an enhancement is done in a non-disruptive manner.
6. Accordingly, the amendments to extant instructions in the [circular dated June 09, 2014](#), *ibid* and [circular DBR.BP.BC.No.86/21.04.098/2015-16](#) on 'Liquidity Risk Management & Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards' dated March 23, 2016 are provided in [Annex](#).
7. This circular shall be applicable to all Commercial Banks (excluding Payments Banks, Regional Rural Banks and Local Area Banks).
8. These amendments shall come into force with effect from **April 01, 2026**.

Yours faithfully,

(Usha Janakiraman)  
Chief General Manager-in-Charge

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<sup>2</sup> Bank may refer to paragraph 4.4.9.1(ii) of [Master Circular DOR.CAP.REC.2/21.06.201/2025-26 on 'Basel III Capital Regulations' dated April 01, 2025](#), as updated from time to time, for indicative list of institutions which may be deemed to be financial institutions.

<sup>3</sup> As defined in paragraph 3.vi of [Master Direction DBR.FSD.No.101/24.01.041/2015-16 on 'Financial Services provided by Banks' dated May 26, 2016](#).

<sup>4</sup> In terms of Sl. No 10 of annexure to [circular DBR.BP.BC.No.86/21.04.098/2015-16 dated March 23, 2016](#).

1. [Circular DBOD.BP.BC.No.120/21.04.098/2013-14 dated June 09, 2014](#) on 'Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards'

A. Amendments to existing text

| Sr. No. | Reference Paragraph | Existing text                                                                                                                                                                  | Amended text (in track-change mode)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | 5.4                 | Level 1 assets of banks would comprise of the following and these assets can be included in the stock of liquid assets without any limit as also without applying any haircut: | Level 1 assets <del>of banks would comprise of the following and these assets</del> can be included in the stock of <del>liquid assets</del> HQLA without any limit as also without applying any haircut; <u>and shall be valued at an amount not greater than their current market value.</u><br><u>Provided that with effect from April 01, 2026, Level 1 HQLA in the form of Government securities shall attract haircuts in line with those prescribed under Liquidity Adjustment Facility and Marginal Standing Facility as per RBI circular FMOD.MAOG No.125/01.01.001/2017-18 dated June 06, 2018 and as amended from time to time.</u><br><br><u>Level 1 assets are limited to the following.....</u> |

B. Amendments to BLR 1: Statement on Liquidity Coverage Ratio (LCR)

|                     |                                                                                                                                                                                                   |                          |                              |                 |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------------|-----------------|
| Name of the Bank    |                                                                                                                                                                                                   |                          |                              |                 |
| Reporting Frequency |                                                                                                                                                                                                   | Monthly                  |                              |                 |
| Position as on      |                                                                                                                                                                                                   |                          |                              |                 |
|                     |                                                                                                                                                                                                   | (Amount in Rupees crore) |                              |                 |
| I                   | II                                                                                                                                                                                                | III                      | IV                           | V (III*IV)      |
|                     | Panel I                                                                                                                                                                                           |                          |                              |                 |
|                     | High Quality Liquid Assets (HQLA)                                                                                                                                                                 | Unweighted Amount        | Factor Multiplier (per cent) | Weighted Amount |
|                     |                                                                                                                                                                                                   |                          |                              |                 |
|                     | Level 1 Assets                                                                                                                                                                                    |                          |                              |                 |
| 1                   | Cash in hand                                                                                                                                                                                      |                          | 100                          |                 |
| 2                   | Excess CRR balance                                                                                                                                                                                |                          | 100                          |                 |
| 3                   | Government Securities in excess of minimum SLR requirement <sup>1</sup>                                                                                                                           |                          | 100                          |                 |
| 4                   | Government securities within the mandatory SLR requirement, to the extent allowed by RBI under MSF <sup>1</sup>                                                                                   |                          | 100                          |                 |
| 5                   | Marketable securities issued or guaranteed by foreign sovereigns having zero per cent risk-weight under Basel II Standardised Approach (country-wise details to be provided under memo item no 1) |                          | 100                          |                 |
| 6                   | Facility to Avail Liquidity for Liquidity Coverage Ratio <sup>1</sup>                                                                                                                             |                          | 100                          |                 |
| 7                   | Total Level 1 Assets (1+2+3+4+5+6)                                                                                                                                                                |                          |                              |                 |
| 8                   | Add amount lent under a reverse repo transaction undertaken for up to and including 30 days in repo-eligible non-Level 1 assets (irrespective of whether they qualify as Level 2 assets or not)   |                          | 100                          |                 |
| 9                   | Deduct amount borrowed under a repo transaction undertaken for up to and including 30 days in repo-eligible non-Level 1 assets (irrespective of whether they qualify as Level 2 assets or not)    |                          | 100                          |                 |
| 10                  | Total Adjusted Level 1 Assets (7+8-9)                                                                                                                                                             |                          |                              |                 |

<sup>1</sup> Unweighted amount for Level 1 HQLA in the form of Government Securities to be included in BLR 1 shall be after application of haircuts in line with LAF/MSF. This unweighted amount will be applied 100 per cent factor multiplier.

|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                                      |                        |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------|------------------------|
|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                                      |                        |
|       | <b>Level 2 Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                          |                                      |                        |
|       | <b>Level 2A Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          |                                      |                        |
| 11    | Marketable securities representing claims on or claims guaranteed by sovereigns, Public Sector Entities (PSEs) or multilateral development banks that are assigned a 20 per cent risk weight under the Basel II Standardised Approach for credit risk and provided that they are not issued by a bank/ financial institution/ NBFC or any of its affiliated entities. (issuer-wise details to be provided under memo item no.2)                                                                                                                                        |                          | 85                                   |                        |
| 12    | Corporate bonds, not issued by a bank/ financial institution/ NBFC or any of its affiliated entities, which have been rated AA- or above by an Eligible Credit Rating Agency.                                                                                                                                                                                                                                                                                                                                                                                          |                          | 85                                   |                        |
| 13    | Commercial Papers not issued by a bank/ PD/ financial institution or any of its affiliated entities, which have a short-term rating equivalent to the long-term rating of AA- or above by an Eligible Credit Rating Agency.                                                                                                                                                                                                                                                                                                                                            |                          | 85                                   |                        |
| 14    | <b>Total Level 2A Assets (11+12+13)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                                      |                        |
| 15    | Add market value of repo-eligible Level 2A securities placed as collateral under a repo transaction undertaken for up to (and including) 30 days.                                                                                                                                                                                                                                                                                                                                                                                                                      |                          | 85                                   |                        |
| 16    | Deduct market value of repo-eligible Level 2A securities acquired as collateral under a reverse repo transaction undertaken for up to (and including) 30 days.                                                                                                                                                                                                                                                                                                                                                                                                         |                          | 85                                   |                        |
| 17    | <b>Total Adjusted Level 2A Assets (14+15-16)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |                                      |                        |
|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                                      |                        |
|       | <b>Level 2B Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          |                                      |                        |
| 18    | Marketable securities representing claims on or claims guaranteed by sovereigns having risk weights higher than 20 per cent but not higher than 50 per cent                                                                                                                                                                                                                                                                                                                                                                                                            |                          | 50                                   |                        |
| 19    | Common Equity Shares not issued by a bank/ financial institution/ NBFC or any of its affiliated entities and included in NSE CNX Nifty and/ or S&P BSE Sensex indices                                                                                                                                                                                                                                                                                                                                                                                                  |                          | 50                                   |                        |
| 19A   | Corporate debt securities (including commercial paper)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          | 50                                   |                        |
| 20    | <b>Total Level 2B Assets (18+19+19A)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          |                                      |                        |
| 21    | Add market value of repo-eligible Level 2B securities placed as collateral under a repo transaction undertaken for upto (and including) 30 days.                                                                                                                                                                                                                                                                                                                                                                                                                       |                          | 50                                   |                        |
| 22    | Deduct market value of repo-eligible Level 2B securities acquired as collateral under a reverse repo transaction undertaken for upto (and including) 30 days.                                                                                                                                                                                                                                                                                                                                                                                                          |                          | 50                                   |                        |
| 23    | <b>Total Adjusted Level 2B Assets (20 + 21 -22)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                          |                                      |                        |
| 24    | <b>Total Stock of HQLA = Level 1 (Unadjusted) + Level 2A(Unadjusted) + Level 2B(Unadjusted)-Adjustment for 15 per cent cap - Adjustment for 40 per cent cap</b><br><br>Where: Adjustment for 15 per cent cap = Max (Adjusted Level 2B- 15/ 85*(Adjusted Level 1 + Adjusted Level 2A), Adjusted Level 2B - 15/ 60*Adjusted Level 1,0) Adjustment for 40 per cent cap = Max ((Adjusted Level 2A + Adjusted Level 2B-Adjustment for 15 per cent cap) - 2/ 3*Adjusted Level 1 assets,0)<br><br>[Note-Only Weighted Amounts of various assets to be taken for this formula] |                          |                                      |                        |
| 25    | Adjustment in HQLA to reflect liquidity transfer restrictions (applicable for banks operating in multiple jurisdictions) -Details in Memo item 3                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |                                      |                        |
| 26    | <b>Consolidated Total Stock of HQLA</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                                      |                        |
|       | <b>Panel II</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                                      |                        |
| SI no | <b>Net Cash outflows over the 30 days period</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Unweighted amount</b> | <b>Run-off factors (in per cent)</b> | <b>Weighted amount</b> |
|       | <b>A. Cash Outflows</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |                                      |                        |
|       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                                      |                        |
| 1     | <b>Retail Deposits [(i) + (ii)]</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                          |                                      |                        |
| 1.(i) | Stable deposits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          | 5                                    |                        |

|           |                                                                                                                                                                                                                                                                      |  |      |  |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------|--|
| 1.i.a     | Deposits with IMB <sup>2</sup>                                                                                                                                                                                                                                       |  | 7.5  |  |
| 1.i.b     | Deposits without IMB                                                                                                                                                                                                                                                 |  | 5    |  |
| 1.(ii)    | Less stable deposits                                                                                                                                                                                                                                                 |  | 10   |  |
| 1.(ii).a  | Deposits with IMB                                                                                                                                                                                                                                                    |  | 12.5 |  |
| 1.(ii).b  | Deposits without IMB                                                                                                                                                                                                                                                 |  | 10   |  |
| 2         | <b>Unsecured wholesale funding [(i)+(ii)+(iii)+(iv)]:</b>                                                                                                                                                                                                            |  |      |  |
| 2.(i)     | Demand and term deposits (less than 30 days maturity) provided by small business customers [(a) + (b)]                                                                                                                                                               |  |      |  |
| 2.(i).a   | Stable deposits                                                                                                                                                                                                                                                      |  | 5    |  |
| 2.(i).a.i | Deposits with IMB                                                                                                                                                                                                                                                    |  | 7.5  |  |
| 2.(i).a.i | Deposits without IMB                                                                                                                                                                                                                                                 |  | 5    |  |
| 2.(i).b   | Less stable deposits                                                                                                                                                                                                                                                 |  | 10   |  |
| 2.(i).b.i | Deposits with IMB                                                                                                                                                                                                                                                    |  | 12.5 |  |
| 2.(i).b.i | Deposits without IMB                                                                                                                                                                                                                                                 |  | 10   |  |
| 2.(ii)    | Operational deposits generated by clearing, custody and cash management activities [(a) + (b)]                                                                                                                                                                       |  |      |  |
| 2.(ii).a  | Portion covered by deposit insurance                                                                                                                                                                                                                                 |  | 5    |  |
| 2.(ii).b  | Portion not covered by deposit insurance                                                                                                                                                                                                                             |  | 25   |  |
| 2.(iii)   | Non-financial corporate <sup>3</sup> , sovereigns, central banks, multilateral development banks, and PSEs                                                                                                                                                           |  | 40   |  |
| 2.(iv)    | Funding from other legal entity customers (This category shall consist of all deposits and other funding from banks/insurance companies & financial institutions <sup>4</sup> and entities in the 'business of financial services' <sup>5</sup> not included above.) |  | 100  |  |
| 3         | <b>Secured Funding [(i) + (ii) + (iii) + (iv)]:</b>                                                                                                                                                                                                                  |  |      |  |
| 3.(i)     | Secured funding transaction with RBI/ central bank or backed by Level 1 assets with any counterparty                                                                                                                                                                 |  | 0    |  |
| 3.(ii)    | Backed by Level 2A assets with any counterparty                                                                                                                                                                                                                      |  | 15   |  |
| 3.(iii)   | Backed by Level 2B assets with any counterparty                                                                                                                                                                                                                      |  | 50   |  |
| 3.(iv)    | Any other secured funding                                                                                                                                                                                                                                            |  | 100  |  |
| 4         | <b>Additional requirements [(i) +(ii) +(iii) +(iv) +(v) +(vi) +(vii) +(viii) +(ix)+(x)+(xi)]:</b>                                                                                                                                                                    |  |      |  |
| 4.(i)     | Net derivative cash outflows                                                                                                                                                                                                                                         |  | 100  |  |
| 4.(ii)    | Liquidity needs (e.g., collateral calls) related to financing transactions, derivatives and other contracts where - downgrade triggers - up to and including a 3-notch downgrade                                                                                     |  | 100  |  |
| 4.(iii)   | Market valuation changes on derivatives transactions (largest absolute net 30-day collateral flows realised during the preceding 24 months) based on look back approach                                                                                              |  | 100  |  |
| 4.(iv)    | Increased liquidity needs related to the potential for valuation changes on non-Level 1 posted collateral securing derivatives                                                                                                                                       |  | 20   |  |
| 4.(v)     | Increased liquidity needs related to excess non-segregated collateral held by the bank that could contractually be called at any time by the counterparty                                                                                                            |  | 100  |  |
| 4.(vi)    | Increased liquidity needs related to contractually required collateral on transactions for which the counterparty has not yet demanded the collateral be posted                                                                                                      |  | 100  |  |
| 4.(vii)   | Increased liquidity needs related to derivative transactions that allow collateral substitution to non-HQLA assets                                                                                                                                                   |  | 100  |  |
| 4.(viii)  | ABCP, SIVs, SPVs etc. maturing within the 30 days period [(a)+(b)]                                                                                                                                                                                                   |  |      |  |
| 4(viii)a  | liabilities from maturing ABCP, SIVs, SPVs, etc. (applied to maturing amounts and returnable assets)                                                                                                                                                                 |  | 100  |  |
| 4(viii)b  | Asset Backed Securities applied to maturing amounts                                                                                                                                                                                                                  |  | 100  |  |
| 4.(ix)    | Currently undrawn committed credit and liquidity facilities <sup>6</sup> provided to [(a)+(b)+(c)+(d)+(e)+(f)+(g)]                                                                                                                                                   |  |      |  |
| 4(ix).a   | retail and small business clients                                                                                                                                                                                                                                    |  | 5    |  |

<sup>2</sup> Internet and Mobile Banking facilities (IMB) includes all facilities such as but not limited to internet banking, mobile banking and Unified Payments Interface (UPI) which enables a customer to digitally transfer funds from their account/s.

<sup>3</sup> Includes funding from non-financial entities such as trusts (educational/religious/charitable trusts), Association of Persons (AoPs), partnerships, proprietorship, Limited Liability Partnerships and other incorporated entities etc..

<sup>4</sup> Banks may refer to paragraph 4.4.9.1(ii) of Master Circular DOR.CAP.REC.2/21.06.201/2025-26 on 'Basel III Capital Regulations' dated April 01, 2025, as updated from time to time, for indicative list of institutions which may be deemed to be financial institutions.

<sup>5</sup> As defined in paragraph 3.(vi) of Master Direction DBR.FSD.No.101/24.01.041/2015-16 on 'Financial Services provided by Banks' dated May 26, 2016

<sup>6</sup> Excluding unconditionally revocable and unconditionally cancellable facilities, which will be covered under SL No. 4.(x) 'other contingent funding facilities'.

|          |                                                                                                                                                       |  |     |  |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----|--|
| 4.(ix).b | non-financial corporates, sovereigns and central banks, multilateral development banks, and PSEs - Credit facilities                                  |  | 10  |  |
| 4.(ix).c | non-financial corporates, sovereigns and central banks, multilateral development banks, and PSEs - Liquidity facilities                               |  | 30  |  |
| 4.(ix).d | Banks                                                                                                                                                 |  | 40  |  |
| 4.(ix).e | Other financial institutions (including securities firms, insurance companies) - Credit facilities                                                    |  | 40  |  |
| 4.(ix).f | other financial institutions (including securities firms, insurance companies) - Liquidity facilities                                                 |  | 100 |  |
| 4.(ix).g | other legal entity customers                                                                                                                          |  | 100 |  |
| 4.(x)    | Other contingent funding liabilities [(a) + (b) + (c)]                                                                                                |  |     |  |
| 4.(x).a  | Guarantees, Letters of credit and Trade Finance                                                                                                       |  | 3   |  |
| 4.(x).b  | Revocable credit and liquidity facilities                                                                                                             |  | 5   |  |
| 4.(x).c  | Any other                                                                                                                                             |  | 5   |  |
| 4.(xi)   | Any other contractual outflows not captured elsewhere in this template                                                                                |  | 100 |  |
|          | <b>B. Total Cash Outflows (1+2+3+4)</b>                                                                                                               |  |     |  |
|          |                                                                                                                                                       |  |     |  |
|          | <b>C. Cash Inflows</b>                                                                                                                                |  |     |  |
|          |                                                                                                                                                       |  |     |  |
| 1.       | Maturing secured lending transactions backed by the following collaterals [(i) + (ii) + (iii)]                                                        |  |     |  |
| 1.(i)    | With Level 1 assets                                                                                                                                   |  | 0   |  |
| 1.(ii)   | With Level 2A assets                                                                                                                                  |  | 15  |  |
| 1.(iii)  | With Level 2B assets                                                                                                                                  |  | 50  |  |
| 2        | Margin Lending backed by all other collateral                                                                                                         |  | 50  |  |
| 3        | All other assets                                                                                                                                      |  | 100 |  |
| 4        | Lines of credit - Credit or liquidity facilities or other contingent funding facilities that the bank holds at other institutions for its own purpose |  | 0   |  |
| 5        | Other inflows by counterparty [(i) + (ii) + (iii)]                                                                                                    |  |     |  |
| 5.(i)    | Retail and small business counterparties                                                                                                              |  | 50  |  |
| 5.(ii)   | Amounts to be received from non-financial wholesale counterparties, from transactions other than those listed in above inflow categories              |  | 50  |  |
| 5.(iii)  | Amounts to be received from financial institutions and RBI/ central banks, from transactions other than those listed in above inflow categories       |  | 100 |  |
| 6        | Net derivatives cash inflows                                                                                                                          |  | 100 |  |
| 7        | Other contractual cash inflows (please specify as footnotes)                                                                                          |  | 50  |  |
|          | <b>D. Total Cash Inflows [1 + 2 + 3 + 4 + 5 + 6 + 7]</b>                                                                                              |  |     |  |
|          |                                                                                                                                                       |  |     |  |
|          | <b>E. Total Cash Outflows less Total Cash Inflows [B-D]</b>                                                                                           |  |     |  |
|          |                                                                                                                                                       |  |     |  |
|          | <b>F. 25 per cent of Total Cash outflows [B*0.25]</b>                                                                                                 |  |     |  |
|          | <b>G. Total Net Cash Outflows [Higher of E or F]</b>                                                                                                  |  |     |  |
|          |                                                                                                                                                       |  |     |  |
|          | <b>Liquidity Coverage Ratio</b>                                                                                                                       |  |     |  |
|          | $\frac{\text{Total HQLAs (item 26 in Panel 1)} * 100}{\text{Total Net Cash Outflows (Item G in Panel 2)}}$                                            |  |     |  |

|                        |                                                                                                                                                                                                                                                                          |               |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| <b>Memo Item No. 1</b> | <b>Investment in securities issued or guaranteed by zero per cent risk weighted foreign sovereigns, as reported at S.No. 5 under Panel I above – country-wise break up to be provided below:</b>                                                                         |               |
| <b>Serial No</b>       | <b>Name of the Country</b>                                                                                                                                                                                                                                               | <b>Amount</b> |
| 1                      |                                                                                                                                                                                                                                                                          |               |
| 2                      |                                                                                                                                                                                                                                                                          |               |
|                        |                                                                                                                                                                                                                                                                          |               |
|                        |                                                                                                                                                                                                                                                                          |               |
| <b>Memo Item No. 2</b> | <b>Investment in securities representing claims on or claims guaranteed by sovereigns, PSEs or multilateral development banks that are assigned a 20 per cent risk-weight, as reported in S. No. 11 under Panel I above – Issuer-wise break up to be provided below:</b> | <b>No</b>     |

| Serial No              | Name of the Issuer                                                                                                   | Amount        |
|------------------------|----------------------------------------------------------------------------------------------------------------------|---------------|
| 2.1                    | Foreign Sovereigns (give Country names)                                                                              |               |
| (i)                    |                                                                                                                      |               |
| (ii)                   |                                                                                                                      |               |
|                        |                                                                                                                      |               |
| 2.2                    | Public Sector Entities (PSEs)                                                                                        |               |
| (i)                    |                                                                                                                      |               |
| (ii)                   |                                                                                                                      |               |
|                        |                                                                                                                      |               |
| 2.3                    | MDBs, BIS, IMF                                                                                                       |               |
| (i)                    |                                                                                                                      |               |
| (ii)                   |                                                                                                                      |               |
|                        |                                                                                                                      |               |
| <b>Memo Item No. 3</b> | <b>Name of the subsidiary and amount for the adjustment done in HQLA to reflect liquidity transfer restrictions.</b> |               |
| <b>Serial No</b>       | <b>Name of Subsidiary</b>                                                                                            | <b>Amount</b> |
| 3.1                    |                                                                                                                      |               |
| 3.2                    |                                                                                                                      |               |

2. [Circular DBR.BP.BC.No.86/21.04.098/2015-16](#) on 'Liquidity Risk Management & Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards' dated March 23, 2016

A. Amendments to existing text

| Sr. No. | Reference Para        | Existing text                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Amended text (in track-change mode)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Sl. No. 9 of annexure | <p>Banks generally allow loans against deposits of customers. If a deposit is contractually pledged to a bank as collateral to secure a credit facility or loan granted by the bank that will not mature or be settled in the next 30 days, then banks may exclude such pledged deposit from the LCR calculation, i.e. outflows, only if the following conditions are met:</p> <ul style="list-style-type: none"> <li>• the loan will not mature or be settled in the next 30 days;</li> <li>• the pledge/lien arrangement is subject to a legally enforceable contract disallowing withdrawal of the deposit before the loan is fully settled or repaid; and</li> <li>• the amount of deposit to be excluded cannot exceed the outstanding balance of the loan (which may be the drawn portion of a credit facility).</li> </ul> <p>The above treatment does not apply to a deposit which is pledged against an undrawn facility, in which case the higher of the outflow rate applicable to the undrawn facility or the pledged deposit applies.</p> | <p><u>a.</u> Banks generally allow loans against deposits of customers. If a deposit is contractually pledged <del>to a bank</del> as collateral to secure a credit facility or loan <del>granted by the bank</del> that will not mature or be settled in the next 30 days, then banks may exclude such pledged deposit from the LCR calculation, i.e. outflows, only if the following conditions are met:</p> <ul style="list-style-type: none"> <li>• the loan will not mature or be settled in the next 30 days;</li> <li>• the pledge/lien arrangement is subject to a legally enforceable contract disallowing withdrawal of the deposit before the loan is fully settled or repaid; and</li> <li>• the amount of deposit to be excluded cannot exceed the outstanding balance of the loan (which may be the drawn portion of a credit facility).</li> </ul> <p><u>b.</u> The above treatment does not apply to a deposit which is pledged against an undrawn facility, in which case the higher of the outflow rate applicable to the undrawn facility or the pledged deposit applies.</p> <p><u>c.</u> In case a deposit, hitherto excluded from LCR computation (for instance a non-callable fixed deposit), is contractually pledged as collateral to secure a credit facility or loan, such deposit shall be treated as callable for LCR purposes and provisions of above paras (a) and (b) shall apply.</p> |