

CONSOLIDATED LIQUIDITY COVERAGE RATIO DISCLOSURE AT MARCH 31, 2020

The Basel Committee on Banking Supervision (BCBS) had introduced 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.

The Bank is required to maintain the LCR on a standalone Bank and on a Group Level. At March 31, 2020, the applicable minimum LCR required to be maintained by banks at standalone Bank level and at Group level is 100.0% (effective from January 1, 2019).

The key entities covered in the Group LCR are ICICI Bank Limited, ICICI Bank UK PLC, ICICI Bank Canada, ICICI Home Finance Company Limited, ICICI Prudential Asset Management Company Limited, ICICI Securities Limited, ICICI Securities Primary Dealership Limited and ICICI Venture Fund Management Company Limited.

As per the RBI guidelines, for the LCR on a consolidated basis, a cross-border banking group should apply the liquidity parameters adopted in the home jurisdiction to all legal entities being consolidated except for the treatment of retail and small business deposits which would be based on the relevant parameters adopted in the host jurisdictions in which the entities operate. ICICI Bank Canada and ICICI Bank UK PLC have followed the treatment for retail and small business deposits as specified by their respective regulators. For all other parameters, the RBI-prescribed LCR factors are applicable for the purposes of the Group LCR computation. The excess HQLA maintained at the group entities over their respective regulatory requirement has not been considered in the Group LCR computation.

The following table sets out the average of unweighted and weighted value of the LCR components of the ICICI Group. The simple average has been computed based on daily values for the three months ended March 31, 2020, December 31, 2019, September 30, 2019 and June 30, 2019.

₹ in million

Three months ended		March 2020		December 2019		September 2019		June 2019	
Particulars		Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
High quality liquid assets									
1	Total high quality liquid assets	N.A.	1,876,054.8	N.A.	1,767,865.6	N.A.	1,576,726.0	N.A.	1,504,953.1
Cash outflows									
2	Retail deposits and deposits from small business customers, of which:	4,400,667.9	386,391.0	4,273,711.0	401,194.0	4,066,298.6	386,148.0	3,899,883.7	364,414.1
(i)	Stable deposits	1,203,376.4	59,829.5	633,922.8	31,193.6	610,172.2	30,000.6	610,466.1	30,079.0
(ii)	Less stable deposits	3,197,291.5	326,561.5	3,639,788.2	370,000.4	3,456,126.4	356,147.4	3,289,417.6	334,335.1
3	Unsecured wholesale funding, of which:	2,208,908.4	1,085,873.3	2,032,428.8	993,831.8	1,906,762.7	951,432.3	1,805,073.7	904,803.6
(i)	Operational deposits (all counterparties)	543,082.6	135,770.7	544,857.6	136,214.4	518,156.2	129,539.0	492,571.0	123,142.7
(ii)	Non-operational deposits (all counterparties)	1,531,639.0	815,915.8	1,381,892.0	751,938.2	1,274,142.0	707,428.8	1,192,231.2	661,389.4
(iii)	Unsecured debt	134,186.8	134,186.8	105,679.2	105,679.2	114,464.5	114,464.5	120,271.5	120,271.5

Three months ended		March 2020		December 2019		September 2019		June 2019	
Particulars		Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
4	Secured wholesale funding	N.A.	972.3	N.A.	3,065.3	N.A.	1,661.9	N.A.	1,211.7
5	Additional requirements, of which:	357,661.0	122,305.6	512,268.7	139,506.1	495,422.3	131,888.0	482,734.1	125,606.5
(i)	Outflows related to derivative exposures and other collateral requirements	86,664.0	86,664.0	80,738.9	80,738.9	73,477.2	73,477.2	68,799.6	68,799.6
(ii)	Outflows related to loss of funding on debt products	188.0	188.0	194.1	194.1	220.0	220.0	230.9	230.9
(iii)	Credit and liquidity facilities	270,809.0	35,453.6	431,335.7	58,573.1	421,725.1	58,190.8	413,703.6	56,576.0
6	Other contractual funding obligations	178,316.5	178,316.5	149,626.9	149,626.9	122,440.3	122,440.3	143,181.0	143,181.0
7	Other contingent funding obligations	2,800,686.7	113,132.0	2,477,884.5	96,582.6	2,390,179.4	92,744.8	2,324,785.6	90,455.0
8	Total Cash Outflows	N.A.	1,886,990.7	N.A.	1,783,806.7	N.A.	1,686,315.3	N.A.	1,629,671.9
9	Secured lending (e.g. reverse	137,949.0	3.5	110,814.5	0.0	30,323.3	0.0	13,258.4	0.0

Three months ended		March 2020		December 2019		September 2019		June 2019	
Particulars		Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
	repos)								
10	Inflows from fully performing exposures	408,355.9	303,825.2	459,685.5	348,621.0	463,680.1	371,945.7	447,486.4	360,692.5
11	Other cash inflows	88,839.0	43,601.4	83,749.4	41,104.4	72,557.8	38,300.2	68,413.6	35,511.3
12	Total Cash Inflows	635,143.9	347,430.1	654,249.4	389,725.4	566,561.2	410,245.9	529,158.4	396,203.8
13	Total HQLA	N.A.	1,876,054.8	N.A.	1,767,865.6	N.A.	1,576,726.0	N.A.	1,504,953.1
14	Total Net Cash Outflows	N.A.	1,539,560.6	N.A.	1,394,081.3	N.A.	1,276,069.4	N.A.	1,233,468.1
15	Liquidity coverage ratio (%)	N.A.	121.86%	N.A.	126.81%	N.A.	123.56%	N.A.	122.01%

The Group, during the three months ended March 31, 2020, had maintained average HQLA (after haircut) of ₹ 1,876,054.8 million as against the average HQLA requirement of ₹ 1,539,560.6 million. HQLA primarily included government securities in excess of minimum Statutory Liquidity Ratio (SLR), the extent allowed under the Marginal Standing Facility (MSF) and the Facility to Avail Liquidity for LCR (FALLCR). Additionally, cash, balances in excess of cash reserve requirement with RBI & the overseas central banks and marketable securities issued by foreign sovereigns form part of level 1 HQLA. Level 2 HQLA primarily consisted of AA- and above rated corporate bonds and commercial papers.

In accordance with the regulatory package announced by the Reserve Bank of India on March 27, 2020, the Bank has extended the option of payment moratorium for all dues falling due between March 1, 2020 and May 31, 2020 to its borrowers. As the moratorium has been given effect in April 2020, inflows from advances are based on the original cash flows prevailing at March 31, 2020.

The average LCR of the ICICI Group for the three months ended March 31, 2020 was 121.86%.