

Liquidity Coverage Ratio for the quarter ended Dec 31, 2025

The Basel Committee for Banking Supervision (BCBS) had proposed 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.

Particulars	Quarter Ended Dec 31, 2025		Quarter Ended Sep 30, 2025	
	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)		74,964		68,402
Cash Outflows				
Retail deposits and deposits from small business customers, of which:				
(i) Stable deposits	25,271	1,264	25,542	1,277
(ii) Less stable deposits	1,57,028	15,703	1,48,487	14,849
3 Unsecured wholesale funding, of which				
(i) Operational deposits (all counterparties)	-	-	-	-
(ii) Non-operational deposits (all counterparties)	43,496	17,398	41,357	16,543
(iii) Unsecured debt	28,964	28,964	24,604	24,604
4 Secured wholesale funding	10,296	-	13,956	-
5 Additional requirements, of which				
<i>Outflows related to derivative exposures and other</i>				
(i) <i>collateral requirements</i>	52,087	52,087	58,915	58,915
(ii) <i>Outflows related to loss of funding on debt products</i>	-	-	-	-
(iii) <i>Credit and liquidity facilities</i>	3,047	197	3,138	205
6 Other contractual funding obligations	6,164	6,164	5,895	5,895
7 Other contingent funding obligations	1,13,810	5,030	1,05,322	4,645
8 TOTAL CASH OUTFLOWS		1,26,807		1,26,933
Cash Inflows				
9 Secured lending (e.g. reverse repos)	1,817	-	2,334	-
10 Inflows from fully performing exposures	13,145	8,422	11,842	7,279
11 Other cash inflows	54,814	53,327	61,713	60,182
12 TOTAL CASH INFLOWS	69,776	61,750	75,889	67,461
		Total Adjusted Value		Total Adjusted Value
21 TOTAL HQLA		74,964		68,402
22 TOTAL NET CASH OUTFLOWS		65,058		59,471
23 LIQUIDITY COVERAGE RATIO (%)		115.23%		115.02%

* The average weighted and unweighted amounts are calculated taking simple daily average of all 3 months of the quarter.

IDFC FIRST Bank follows the guidelines laid down by the RBI for calculation of HQLA, gross outflows and inflows within the next 30 days period. HQLA predominantly comprises cash, excess CRR and investments qualifying to be HQLA as per RBI guidelines. The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board. The Asset Liability Committee (ALCO) is responsible for implementing the liquidity and interest rate risk management strategy of the Bank in line with its risk management objectives set by the Board. The Bank's ALCO has prescribed an internal threshold for LCR which is over the regulatory threshold of 100%. The Bank has maintained LCR well above RBI and Internal thresholds on an ongoing basis.

The Bank is funded through retail CASA, retail term deposits, wholesale term deposits and borrowings viz. Bonds and Refinance Borrowings. All outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation. The Bank closely monitors its LCR daily and proactively manages its liquidity in order to maintain this ratio well above the internal thresholds. The Bank is continuously striving to maintain a robust funding profile driven by granular retail deposits. The above LCR disclosure pertains to standalone as well as consolidated entity, since IDFC FIRST Bank's subsidiaries are not engaged in any lending or borrowing business.