

**Qualitative Disclosure on Liquidity Coverage Ratio (LCR)**  
**For Quarter Ended September'2025**

RBI had introduced the Liquidity Coverage Ratio (LCR) vide circular NoRBI/2014-15/529 DBR. No. BP.BC.80/21.06.201/2014-15 dated March 31,2015 which has been modified from time to time, in order to ensure short term resilience of banks to potential liquidity disruptions by ensuring that bank have sufficient high quality liquid assets (HQLA) to survive an acute stress scenario lasting for 30 days. The minimum LCR requirement set out in the RBI guidelines for the banks is 100%.

**Definition of LCR:** **Stock of high quality liquid assets (HQLAs)**

**Total net cash outflows over the next 30 calendar days**

In the stock of high-quality liquid assets (HQLA), there are two categories of assets, viz. Level 1 and Level 2 assets. Level 2 assets are sub-divided into Level 2A and Level 2B assets on the basis of their price-volatility. Each category includes assets which the bank is holding on the first day of the stress period. Level 1 assets are with 0% haircut while in Level 2, 2A assets are with a minimum 15% haircut and Level 2B Assets, with a minimum 50% haircut.

The total net cash outflows are defined as the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. Total expected cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by the rates at which they are expected to run off or be drawn down. Total expected cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in up to an aggregate cap of 75% of total expected cash outflows.

**Details of LCR for the quarter ended September'2025 & June'2025:**

**(Rs. In Crore)**

<b>Details</b>	<b>Quarter Ended September'2025</b>	<b>Quarter Ended June'2025</b>
<b>HQLA (Weighted Value)</b>	89,244.86	83,331.04
<b>Total Net cash Outflows (Weighted Value)</b>	74,532.40	67,452.56
<b>LCR in %</b>	119.74	123.54

Bank has calculated LCR for all working days for the September'2025 quarter based on the data extracted from the bank's database through the program specifically designed for this purpose. Bank's LCR for the quarter ended 30<sup>th</sup> September 2025 stands at 119.74% based on daily average of three months (Q2 FY 2025-26) and is well above the present minimum requirement prescribed by RBI of 100% for the Quarter ended September'2025. Average HQLA held during the quarter was ₹89,244.86 crore, with 99.99% being Level 1 assets. Level 2A assets constitute 0.01% of total HQLA. During the quarter, the level of weighted average HQLA increased by ₹5,914 crore over the previous quarter, primarily on account of growth in Government Securities in excess of minimum SLR requirement. Bank is having enough liquidity to meet sudden cash outflows.

The detailed Quantitative disclosure is placed in table as below.

Liquidity Management in the Bank is driven by the ALM Policy of the Bank and regulatory prescriptions. The Domestic and Overseas Centers are reporting to the Asset Liability Management Committee (ALCO). The ALCO has been empowered by the Bank's Board to formulate the Bank's funding strategies to ensure that the funding sources are well diversified and is consistent with the operational requirements of the Bank. All the major decisions of ALCO are being reported to Risk Management Committee of Board (RMCB) periodically. In addition to daily/monthly LCR reporting,

Bank prepares daily Structural Liquidity statements to assess the liquidity needs of the Bank on an ongoing basis.

The Bank has been maintaining HQLA mainly in the form of SLR investments over and above the mandatory requirements. Retail deposits constitute major portion of total funding sources, and such funding sources are well diversified. Management is of the view that the Bank has sufficient liquidity cover to meet its likely future requirements.

LCR DISCLOSURE TEMPLATE AS ON QUARTER ENDED September'25 (July-September, 2025)					
LIQUIDITY COVERAGE RATIO					
INDIAN OVERSEAS BANK (Rs. In Crore)					
LCR COMPONENTS	Quarter ended- September 30,2025	Quarter ended-June 30,2025	Total Unweighted Value(average) <sup>1</sup>	Total Weighted Value(average) <sup>2</sup>	Total Unweighted Value(average)1
<b>High Quality Liquid Assets</b>					
1 Total High Quality Liquid Assets			89,244.86		83,331.04
<b>Cash Outflows</b>					
2 Retail Deposits and deposits from small business customers, of which :	2,34,916.45	22,837.59	2,32,360.42		22,592.14
(i) Stable Deposits	13,080.98	654.05	12,877.92		643.89
(ii) less Stable Deposits	2,21,835.47	22,183.54	2,19,482.50		21,948.25
3 Unsecured wholesale funding, of which :	79,264.03	50,548.32	75,197.10		48,110.78
(i) Operational Deposits( all counterparties)	0.00	0.00	0.00		0.00
(ii) Non-Operational Deposits(all counterparties)	79,264.03	50,548.32	75,197.10		48,110.78
(iii) Unsecured debt	0.00	0.00	0.00		0.00
4 Secured wholesale funding	386.25	0.00	3780.50		0.00
5 Additional requirements, of which	21,004.02	5,169.52	14,416.27		2,421.18
(i) Outflows related to derivative exposures and other collateral requirements	25.44	25.44	0.61		0.61
(ii) Outflows related to loss of funding on debt products	0.00	0.00	0.00		0.00
(iii) Credit and liquidity facilities	20,978.58	5,144.08	14,415.66		2,420.57
6 Other contractual funding obligations	3,336.35	3,336.35	3,216.17		3,216.17
7 Other contingent funding obligations	23,375.22	701.26	21,725.84		651.78
<b>8 TOTAL CASH OUTFLOWS</b>	<b>3,62,282.32</b>	<b>82,593.04</b>	<b>3,50,696.30</b>		<b>76,992.05</b>
<b>Cash Inflows</b>					
9 Secured Lending(e.g. reverse repos)	128.16	0.00	0.00		0.00
10 Inflows from fully performing exposures	13,541.15	8,055.48	15,274.62		9,538.78
11 Other cash inflows	5.16	5.16	0.71		0.71
<b>12 TOTAL CASH INFLOWS</b>	<b>13,674.47</b>	<b>8,060.64</b>	<b>15,275.33</b>		<b>9,539.49</b>
<b>Total Adjusted Value<sup>3</sup></b>					
<b>13 TOTAL HQLA</b>		<b>89,244.86</b>			<b>83,331.04</b>
<b>14 TOTAL NET CASH OUTFLOWS</b>		<b>74,532.40</b>			<b>67,452.56</b>
<b>15 LIQUIDITY COVERAGE RATIO(%)</b>		<b>119.74%</b>			<b>123.54%</b>
1. Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows) except where otherwise mentioned in the circular and LCR template.					
2. Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows)					
3. Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (i.e. cap on level 2B and level 2 assets for HQLA and cap on inflows).					