

Liquidity Coverage Ratio Disclosure as on September 30, 2025

In the backdrop of the global financial crisis that started in 2007, the Basel Committee on Banking Supervision (BCBS) proposed certain reforms to strengthen global capital and liquidity regulations with the objective of promoting a more resilient banking sector. In this regard, the Basel III rules text on liquidity – “Basel III: International framework for liquidity risk measurement, standards and monitoring” was issued in December 2010 which presented the details of global regulatory standards on liquidity. Two minimum standards viz. Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) for funding liquidity were prescribed by the Basel Committee for achieving two separate but complementary objectives.

The LCR promotes short-term resilience of banks to potential liquidity disruptions by ensuring that they have sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

1. Quantitative Disclosure

LCR Compliance as on September 30, 2025

LCR Calculation Methodology	RBI prescribed minimum LCR	Bank’s Daily Average LCR during the Quarter ended September 30, 2025
$\text{LCR} = \frac{\text{Stock of High-Quality Liquid Assets}}{\text{Total net cash outflows over the next 30 calendar days}}$	100%	142.95%

Below mentioned is a position of Liquidity Coverage Ratio computed based on daily simple average for the Quarter ended September 30, 2025

Particulars		Daily Average during the Quarter ended 30.09.2025 (Rs in Cr)	
		Total Unweighted Value (average)	Total Weighted Value (average)
		High Quality Liquid Assets	
1	Total High Quality Liquid Assets (HQLA)		4149.47
Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	11682.08	1028.83
(i)	Stable deposits	2787.55	139.38
(ii)	Less stable deposits	8894.53	889.45
3	Unsecured wholesale		1838.64

Particulars		Daily Average during the Quarter ended 30.09.2025 (Rs in Cr)	
		Total Unweighted	Total Weighted
		Value (average)	Value (average)
	funding, of which:	2401.28	
(i)	Operational deposits (all counterparties)	-	-
(ii)	Non-operational deposits (all counterparties)	2401.28	1838.64
(iii)	Unsecured debt		
4	Secured wholesale funding		-
5	Additional requirements, of which	639.81	140.59
(i)	Outflows related to derivative exposures and other collateral requirements	-	-
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facilities	639.81	140.59
6	Other contractual funding Obligations	131.14	131.14
7	Other contingent funding obligations	278.54	8.36
8	Total Cash Outflows		3147.55
Cash Inflows			
9	Secured lending (e.g., reverse repos)	5.56	5.56
10	Inflows from fully Performing exposures	478.68	239.34
11	Other cash inflows	0.00	0.00
12	Total Cash Inflows	484.23	244.89
			Total Adjusted Value
21	TOTAL HQLA		4149.47
22	Total Net Cash Outflows		2902.66
23	Liquidity Coverage Ratio (%)		142.95%

Bank has complied with the regulatory requirements w.r.to LCR

2. Qualitative Disclosure

The main drivers of HQLA:

Bank is maintaining adequate stock of High-Quality Liquid Asset to survive an acute stress scenario lasting for 30 days. HQLA of the Bank includes Cash in Hand (4% of HQLA), Government securities in excess of minimum SLR requirement (7% of HQLA), Government Securities within the mandatory SLR requirement to the extent allowed by RBI under MSF (9% of HQLA),

Level 2A and Level 2B assets are well within the regulatory cap of 40% and 15% of the stock of HQLA respectively after the required haircut.

Net Stable Funding Ratio Disclosure as on September 30, 2025

The Net Stable Funding Ratio (NSFR) is one of the Basel Committee's key reforms to promote a more resilient banking sector. The NSFR will require banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the likelihood that disruptions to a bank's regular sources of funding will erode its liquidity position in a way that would increase the risk of its failure and potentially lead to broader systemic stress. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk across all on- and off-balance sheet items, and promotes funding stability.

The Bank is required to maintain the NSFR on an ongoing basis on a standalone Bank level and on a Group level. The minimum NSFR requirement set out in the RBI guideline for the standalone Bank and for Group effective October 1, 2021 is 100%. The Bank does not have any subsidiary as on date.

NSFR Calculation Methodology	RBI prescribed minimum NSFR	Bank's NSFR for the Quarter ended September 30, 2025
NSFR= $\frac{\text{Available amount of Stable funding}}{\text{Required amount of Stable funding}}$	100%	149.09%

The following table sets out the unweighted and weighted value of the NSFR components of the Dhanlaxmi Bank at September 30, 2025 (i.e. quarter-end observation).

Net Stable Funding Ratio September 30, 2025						
(₹ in Cr)		Unweighted value by residual maturity				Weighted Value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Items						
1	Capital: (2+3)	1259.76	0	0	177.37	1437.13
2	Regulatory Capital	1259.76			150.00	1409.76
3	Other capital instruments				27.37	27.37
4	Retail deposits and deposits from small business customers: (5+6)	4380.54	2239.03	3066.82	2301.15	10929.29
5	Stable deposits	1044.80	733.21	669.31	362.77	2669.59
6	Less stable deposits	3335.73	1505.82	2397.51	1938.38	8259.70
7	Wholesale funding: (8+9)	557.81	2298.61	1965.48	267.80	2152.38
8	Operational deposits					
9	Other wholesale funding	557.81	2298.61	1965.48	267.80	2152.38
10	Other liabilities: (11+12)	789.47	0	0	0	0
11	NSFR derivative liabilities					

Net Stable Funding Ratio September 30, 2025						
(₹ in Cr)		Unweighted value by residual maturity				Weighted Value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
12	All other liabilities and equity not included in the above categories	789.47			0	0
13	Total ASF (1+4+7+10)	6987.57	4537.64	5032.30	2746.32	14518.79
RSF Items						
14	Total NSFR high-quality liquid assets (HQLA)	701.74	708.34	290.01	3541.76	233.88
15	Deposits held at other financial institutions for operational purposes	116.41	-	-	-	58.21
16	Performing loans and securities: (17+18+19+21+23)		4949.59	2202.62	4006.96	6609.32
17	Performing loans to financial institutions secured by Level 1 HQLA					
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		342.67	258.77		180.79
19	Performing loans to nonfinancial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:		4606.56	1943.19	2742.72	5575.76
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				152.15	98.90
21	Performing residential mortgages, of which:		0.36	0.66	1114.24	725.28
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0	0	1114.24	724.26
23	Securities that are not in default and do not qualify as HQLA, including exchange traded equities				150.00	127.50
24	Other assets: (sum of rows 25 to 29)		2.52	0.00	2784.09	2786.40
25	Physical traded commodities, including gold					

Net Stable Funding Ratio September 30, 2025						
₹ in Cr)		Unweighted value by residual maturity				Weighted Value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
27	NSFR derivative assets					
28	NSFR derivative liabilities before deduction of variation margin posted					
29	All other assets not included in the above categories		2.52	0.00	2784.09	2786.40
30	Off-balance sheet items				1117.20	50.48
31	Total RSF (14+15+16+24+30)	818.15	5660.45	2492.45	11450.01	9738.28
32	Net Stable Funding Ratio (%)					149.09%

Bank has complied with the regulatory requirements w.r.to NSFR.