



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

RBI/DOR/2025-26/330

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November 28, 2025

**Reserve Bank of India (All India Financial Institutions – Asset Liability  
Management) Directions, 2025**

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In exercise of the powers conferred by Section 45L of the Reserve Bank of India Act, 1934, and all other provisions / laws enabling the Reserve Bank of India ('RBI') in this regard, RBI being satisfied that it is necessary and expedient in the public interest so to do, hereby, issues the Directions hereinafter specified.

## **Chapter I – Preliminary**

### **A. Short Title and Commencement**

- 1 These Directions shall be called the Reserve Bank of India (All India Financial Institutions– Asset Liability Management) Directions, 2025.

### **B. Applicability**

- 2 These Directions shall be applicable to All India Financial Institutions (hereinafter collectively referred to as 'AIFIs' and individually as an 'AIFI'), viz., Export Import Bank of India ('EXIM Bank'), National Bank for Agriculture and Rural Development ('NABARD'), Small Industries Development Bank of India ('SIDBI'), National Housing Bank ('NHB'), and National Bank for Financing Infrastructure and Development ('NaBFID').
- 3 These Directions shall become effective from the date of issue.

### **C. Definitions**

- 4 In these Directions, unless the context otherwise requires, the terms herein shall bear the meaning as assigned to them below:
  - (1) '**Interest Rate Risk**' is the risk where changes in market interest rates might adversely affect an AIFI's financial condition.
  - (2) '**Gap**' is the difference between Rate Sensitive Assets (RSA) and Rate Sensitive Liabilities (RSL) for individual time bucket.
  - (3) '**Liquidity Risk**' means inability of an AIFI to meet cash and collateral obligations as they become due, without adversely affecting its financial condition.
  - (4) '**Stress Test**' means evaluation of the financial position of an AIFI under a severe but plausible scenario to assist in decision making within the AIFI.



- 5 All other expressions unless defined herein shall have the same meaning as have been assigned to them under the BR Act, the RBI Act, rules / regulations made thereunder, or any statutory modification or re-enactment thereto or as used in commercial parlance, as the case may be.



## **Chapter II – Role of Board**

### **A. Responsibilities of the Board**

- 6 The Board shall have overall responsibility for management of risks and shall decide the risk management policy of an AIFI and set limits for liquidity, interest rate, exchange rate, and equity price risks. The Board shall constitute a Management Committee or any other specific Committee, that shall oversee the implementation of the Asset Liability Management (ALM) system and review its functioning periodically.

### **B. Approval of policies, limits, and reviews**

- 7 The Board shall formulate policy and strategy to manage liquidity risk, including the liquidity risk tolerance.
- 8 The Board / Asset Liability Management Committee (ALCO) shall approve the volume, composition, maximum maturity / duration, holding, and cut loss limits for the Trading Book. Where the Board is satisfied that the AIFI has necessary risk management capabilities, it shall adopt an integrated Value at Risk (VaR) limit for the entire balance sheet, including the "Banking Book" and the "Trading Book", for the rupee as well as foreign currency portfolio.
- 9 Where an AIFI has adequate MIS and technical capability, the Board / ALCO shall ensure to move to the modern techniques of Interest Rate Risk measurement like Duration Gap Analysis, Simulation, and Value at Risk
- 10 The Board / ALCO shall approve internal prudential limits for cumulative negative liquidity gaps across all time buckets.
- 11 The Board / ALCO shall approve the prudential limits for interest rate gaps in various time buckets. Such limits on interest rate risk shall be set as simple gap limits or in terms of impact on Net Interest Income (NII) / Net Interest Margin (NIM) or Earnings at Risk (EaR) of the AIFI.
- 12 The Board / ALCO shall approve the classification of components of assets and liabilities in the appropriate time buckets, through reasonable estimation of behavioural patterns, embedded options, and rolls-in and rolls-out based on past data or empirical studies.



## **Chapter III – Asset Liability Management Governance**

### **A. Introduction**

- 13 An AIFI shall establish an ALM framework for measuring, monitoring, and managing liquidity risk, interest rate risk, and foreign exchange risks. The system shall involve the identification and assessment of various types of risks and enable dynamic adjustment of balance sheet items (assets and liabilities) to manage these risks effectively.
- 14 The ALM system shall introduce a formalised framework for management of market risks through measuring, monitoring and managing liquidity, exchange rate, and interest rate risks of an AIFI that need to be closely integrated with the AIFI's business strategy. The ALM function shall also endeavour to enforce the discipline of market risk management, viz., managing business after assessing the market risks involved.
- 15 ALM process rests on following three pillars:
  - (1) ALM Information System comprising:
    - (i) Management Information System; and
    - (ii) Availability, accuracy, adequacy and expediency of information.
  - (2) ALM Organisation comprising:
    - (i) Structure and responsibilities; and
    - (ii) Level of top management involvement.
  - (3) ALM Process comprising:
    - (i) Risk parameters;
    - (ii) Risk identification;
    - (iii) Risk measurement;
    - (iv) Risk management; and
    - (v) Risk policies and tolerance levels.

### **B. ALM Information System**

- 16 The ALM framework shall be supported by risk policies and tolerance limits. The Top Management shall ensure the implementation of necessary information system and availability of timely, adequate, and accurate information, which shall be central to the ALM process.



- 17 An AIFI shall, at a minimum, establish systems sufficient to generate liquidity gap and interest rate gap reports in accordance with these Directions.

### **C. ALM Organisation**

- 18 The Top Management of the AIFI shall be responsible for successful implementation of the risk management framework. The risk management framework shall be integrated with the AIFI's basic operations and strategic decision-making.
- 19 An AIFI shall set up an ALCO as a decision-making unit responsible for integrated balance sheet management from a risk-return perspective, including the strategic management of interest rate and liquidity risks. While each AIFI shall define the roles, responsibilities, and powers of its ALCO, its responsibility would normally include:
- (1) monitoring the market risk levels of the AIFI by ensuring adherence to the various risk limits set by the Board;
  - (2) articulating the current interest rate view and a view on future direction of interest rate movements. Future business strategy shall be aligned with the interest rate outlook as also on other parameters considered relevant;
  - (3) deciding the business strategy of the AIFI, both on the assets and liabilities sides, consistent with the AIFI's interest rate view, budget, and pre-determined risk management objectives. This shall, in turn, include:
    - (i) the desired maturity profile and mix of the assets and liabilities;
    - (ii) product pricing on both assets and liabilities side; and
    - (iii) funding strategy covering the source and mix of liabilities or sale of assets; the proportion of fixed vs. floating rate funds, wholesale vs. retail funds, money market vs. capital market funding, and domestic vs. foreign currency funding.
  - (4) reviewing the implementation status and outcomes of the decisions taken in the previous meetings.

### **D. Composition of ALCO**

- 20 The composition of ALCO in an AIFI shall depend on the size of the AIFI, business mix and its organisational complexity. The CEO / CMD / DMD or the ED should head the Committee. The Top Management from various relevant



functions / departments shall be represented in the ALCO. The ALCO shall include, as its members, the Heads of Investment, Credit, Resources Management, Treasury, Risk Management, and other members as deemed suitable. An AIFI shall decide the frequency of ALCO meetings.

- 21 An AIFI may also constitute an ALM Support Group, consisting of the operating staff, which shall be responsible for analysing, monitoring, and reporting the risk profiles to the ALCO. The staff shall also prepare forecasts (simulations) reflecting the impact of various possible changes in market conditions on the balance sheet and recommend the action needed to adhere to internal limits.

#### **E. ALM Process**

- 22 The scope of ALM function shall cover the following:

- (1) Liquidity risk management;
- (2) Management of market risks;
- (3) Trading risk management;
- (4) Funding and capital planning; and
- (5) Profit planning and growth projection.





## **Chapter IV – Liquidity Risk Management**

### **A. Management of Liquidity Risk**

- 23 An AIFI should assess the risks resulting from its inability to meet its obligations as they come due, because of difficulty in liquidating assets (market liquidity risk) or in obtaining adequate funding (funding liquidity risk). This assessment should include analysis of sources and uses of funds, an understanding of the funding markets in which the AIFI operates, and an assessment of the efficacy of a contingency funding plan for events that could arise. The Top Management shall consider the relationship between liquidity and capital since liquidity risk can impact capital adequacy which, in turn, can aggravate an AIFI's liquidity risks.
- 24 A key element in the management of liquidity risk is the need for strong liquidity risk governance, including the setting of liquidity risk tolerance by the Board. The risk tolerance shall be communicated throughout the AIFI and be reflected in the strategy and policies that Top Management set to manage liquidity risk. Further, an AIFI shall take into account the cost, benefit, and risk of liquidity into its internal pricing, performance measurement, and new product approval process of all significant business activities.
- 25 An AIFI shall ensure time bucketing of contingent cash flows emanating from the off-balance sheet items as per the timing of the underlying cash flows for the purpose of compiling the liquidity and interest rate gap reports, as discussed in subsequent paragraphs.
- 26 An AIFI shall set up a robust framework to identify, measure, monitor, and control liquidity risk. The framework shall project cash flows arising from assets, liabilities, and off-balance sheet items over an appropriate set of time horizons. The process shall also ensure diversification in both the tenor and source of funding.
- 27 An AIFI shall utilise early warning indicators to identify the emergence of increased risk or vulnerabilities in its liquidity position or funding needs. It shall have the ability to control liquidity risk exposure and funding needs, regardless of its organisation structure, within and across legal entities, business lines, and



currencies, taking into account any legal, regulatory and operational limitations to the transferability of liquidity.

- 28 An AIFI shall perform stress tests or scenario analyses on a regular basis in order to identify and quantify its exposures to possible future liquidity stresses, analysing possible impacts on the institutions' cash flows, liquidity positions, profitability, and solvency. The results of these stress tests shall be discussed thoroughly by the Top Management. These discussions, shall form the basis for taking remedial or mitigating actions to limit the AIFI's exposures, build up a liquidity cushion, and adjust its liquidity profile to fit its risk tolerance. The results of stress tests shall also play a key role in shaping the AIFI's contingency funding planning, which shall outline policies for managing a range of stress events and clearly set out strategies for addressing liquidity shortfalls in emergency situations.

#### **B. Statement of Liquidity**

- 29 An AIFI shall adopt the maturity ladder approach as the standard tool for measuring and managing net funding requirements through preparation of Statement of Liquidity as furnished in [Annex-I](#).
- 30 The Maturity Profile, as detailed in [Annex-III](#), shall be used for measuring the future cash flows of AIFIs in different time buckets. The time buckets, shall be distributed as under:
- (1) 1 to 14 days;
  - (2) 15 to 28 days;
  - (3) 29 days and upto 3 months;
  - (4) Over 3 months and upto 6 months;
  - (5) Over 6 months and upto 1 year;
  - (6) Over 1 year and upto 3 years;
  - (7) Over 3 years and upto 5 years;
  - (8) Over 5 years and upto 7 years;
  - (9) Over 7 years and upto 10 years; and
  - (10) Over 10 years.
- 31 The securities which are held in the Trading Book shall be subject to the following preconditions:



- (1) The composition and volume of the Trading Book shall be clearly defined;
  - (2) Maximum maturity / duration of the trading portfolio shall be restricted;
  - (3) The holding period of the trading securities does not exceed 90 days;
  - (4) Cut-loss limit(s) shall be prescribed; and
  - (5) Such securities shall be marked-to-market on a daily / weekly basis and the revaluation gain / loss shall be charged to the profit and loss account.
- 32 An AIFI is permitted to slot the securities in the Trading Book, consisting of securities that comply with standards prescribed in paragraph 31, under the 1-14 days, 15-28 days, and 29-90 days buckets on the basis of the defeasance periods.
- 33 The Board / ALCO of the AIFI shall approve the volume, composition, maximum maturity / duration, holding / defeasance period, and cut loss limits of the Trading Book.
- 34 An AIFI that has the necessary risk management capabilities, shall have the option, with the approval of its Board, to adopt an integrated Value at Risk (VaR) limit for its entire balance sheet, including the "Banking Book" and the "Trading Book", for the rupee as well as foreign currency portfolio. A copy of the approved policy note in this regard, shall be submitted to the Department of Supervision (DoS), Reserve Bank of India. An AIFI shall also be guided by the [Reserve Bank of India \(All India Financial Institutions – Classification, Valuation and Operation of Investment Portfolio\) Directions, 2025](#).
- 35 Within each time bucket, an AIFI shall monitor mismatches arising from cash inflows and outflows. The negative gap for 1-14 days and 15-28 days time-buckets shall not exceed 10 per cent and 15 per cent respectively, of the cash outflows in each time bucket. An AIFI shall also monitor the cumulative mismatches (running total) across all time buckets by establishing internal prudential limits approved by the Board / ALCO.
- 36 An AIFI shall prepare the Statement of Liquidity in the format prescribed at [Annex-I](#), by placing all cash inflows and outflows in the maturity ladder according to the expected timing of cash flows. A maturing liability shall be a cash outflow while a maturing asset will be a cash inflow.
- 37 The Statement of Liquidity would also take into account the rupee inflows and outflows on account of forex operations. Thus, the foreign currency resources raised abroad but swapped into rupees and deployed in rupee assets, would be



reflected in the rupee liquidity statement. Rupee loans to exporter clients denominated in foreign currency in the books, which are extinguished by the export proceeds, would be part of the rupee liquidity statement since such loans are created out of rupee resources. As regards the foreign currency loans granted out of foreign currency resources on a back-to-back basis, a currency-wise liquidity statement for each of the foreign currencies in which liabilities and assets have been created, will need to be prepared in formats at [Annex I-A](#) and Annex-II-A: Interest Rate Sensitivity Statement for Foreign Currency Assets and Liabilities, which are similar to the formats prescribed for rupee resources.



## Chapter V – Management of Currency Risk

- 38 In order to capture the Liquidity and Interest Rate Risk arising out of the foreign currency portfolio, an AIFI shall prepare, on an ongoing basis, currency-wise Statement of Liquidity and Interest Rate Sensitivity (IRS) Statement, separately for each of the currencies in which it has an exposure. These statements shall be prepared in the formats prescribed at [Annex I-A](#) and Annex-II-A: Interest Rate Sensitivity Statement for Foreign Currency Assets and Liabilities, which are similar to the formats prescribed for the rupee resources, at [Annex-I](#) and [Annex-II](#).



## **Chapter VI – Interest Rate Risk Management (IRR)**

### **A. Introduction**

- 39 Interest rate risk from 'earnings perspective' is the immediate impact of interest rate changes on an AIFI's earnings (i.e., reported profits) through changes in its NII. Interest rate risk from 'economic value perspective' is the long-term impact of interest rate changes on an AIFI's MVE or Net Worth as the economic value of its assets, liabilities, and off-balance sheet positions get affected due to variation in market interest rates. The risk from the earnings perspective can be measured as changes in the NII or NIM.
- 40 An AIFI shall use the Traditional Gap Analysis (TGA) to measure the interest rate risk. Where an AIFI has adequate MIS and technical capability, it can deploy advanced techniques of interest rate risk management like Duration Gap Analysis, Simulation, and Value at Risk, with the approval of its Board / ALCO, in addition to the Gap Analysis prescribed in the Directions.

### **B. Traditional Gap Analysis**

- 41 Under TGA, an AIFI shall measure Gap or Mismatch risk by calculating Gaps, i.e., difference between rate sensitive liabilities and rate sensitive assets (including off-balance sheet positions), over different time intervals at a given date. An asset or liability is normally classified as rate sensitive where:
- (1) within the time interval under consideration, there is an associated cash flow;
  - (2) the associated interest rate resets / re-prices contractually during the interval;
  - (3) it is contractually pre-payable or withdrawable before the stated maturities; and
  - (4) It is dependent on the changes in the Policy Rates by RBI.
- 42 An AIFI shall prepare the Gap Report by grouping rate sensitive liabilities, assets and off-balance sheet positions into time buckets according to residual maturity or next re-pricing period, whichever is earlier. All investments, advances, deposits, borrowings, and purchased funds, that mature / re-price within a specified timeframe, shall be treated as interest rate sensitive. Any



principal repayment of loan, including final principal payment and interim instalment expected to be received within the time horizon shall also be classified as rate sensitive. Interest bearing assets and liabilities that vary with a reference rate and reprice at pre-determined intervals shall be treated as rate sensitive at the time of repricing. While the interest rates on term deposits are fixed during their currency, the tranches of advances portfolio with floating rates shall be treated as rate sensitive.

### **C. Interest Rate Sensitivity Statement**

- 43 An AIFI shall prepare Interest Rate Sensitivity statement as per the reporting format provided in [Annex-II](#).
- 44 An AIFI shall identify the interest rate gaps in the following time buckets:
- (1) 1-28 days;
  - (2) 29 days and upto 3 months;
  - (3) Over 3 months and upto 6 months;
  - (4) Over 6 months and upto 1 year;
  - (5) Over 1 year and upto 3 years;
  - (6) Over 3 years and upto 5 years;
  - (7) Over 5 years and upto 7 years;
  - (8) Over 7 years and upto 10 years;
  - (9) Over 10 years; and
  - (10) Non-sensitive.
- 45 An AIFI shall slot the securities in the Trading Book as per their residual maturity or repricing maturity for floating rate securities. The various items of rate sensitive assets, liabilities and off-balance sheet items shall be classified into respective time-buckets, as explained in Annex-IV.
- 46 An AIFI shall set prudential limits on individual Gaps with the approval of the Board / ALCO. The prudential limits shall have a relationship with the Total Assets, Earning Assets, or Equity. In addition to the interest rate gap limits, an AIFI which has adequate systems in place may set the prudential limits linked to EaR or NIM based on its views on interest rate movements, with the approval of the Board / ALCO.



## **Chapter VII – General**

### **A. Behavioural Pattern and Embedded Options**

- 47 The classification of various components of assets and liabilities into different time buckets for preparation of Gap reports (Liquidity and Interest Rate Sensitivity) may be as indicated in Annex-I and Annex-II.
- 48 However, an AIFI which is better equipped to reasonably estimate the behavioural pattern, embedded options, rolls-in and rolls-out, etc., of various components of assets and liabilities on the basis of past data / empirical studies may choose to classify them in the appropriate time buckets, subject to the approval from its ALCO / Board. A copy of the note approved by the ALCO / Board shall be sent to the Department of Supervision (DoS), RBI.
- 49 An AIFI shall assess and manage the risk arising from embedded options such as premature closure of term deposits, early encashment of bonds, and prepayment of loans and advances, which can significantly affect its liquidity and interest rate risk profile, particularly during periods of market volatility. An AIFI shall develop suitable mechanism, supported by empirical studies and behavioural analysis, to estimate the future behaviour of assets, liabilities, and off-balance sheet items to changes in market variables and estimate the impact of embedded options. In the absence of adequate historical database, an AIFI shall classify the entire amount payable under the embedded options in the maturity ladder according to the residual period up to the earliest exercise date.

### **B. Internal Transfer Pricing**

- 50 An AIFI shall implement a scientifically designed internal transfer pricing (ITP) mechanism as part of its ALM system. The ITP model will assign value to funds provided and funds used based on prevailing market interest rates and support effective measurement and management of lending or credit spread, funding or liability spread, and mismatch spread. The transfer pricing mechanism shall enable centralisation of interest rate risk management, thereby facilitating effective oversight and control, and also provide a rational and consistent framework for the pricing of assets and liabilities.





## **Chapter VIII – Monitoring and Reporting**

### **A. Preparation and Review of Statements**

51. An AIFI shall prepare the Statement of Liquidity on a fortnightly basis, as per [Chapter IV](#).
52. An AIFI shall prepare the Interest Rate Sensitivity statement on a monthly basis, as per [Chapter VI](#).
53. Top Management / Board/ ALCO shall regularly review these statements and formulate corrective measures and devise suitable strategies wherever needed.

### **B. Regulatory Reporting and Periodicity of Returns**

54. An AIFI shall submit the Statement of Liquidity and the Interest Rate Sensitivity Statement to Department of Supervision (DoS), RBI on a quarterly basis.



## Chapter IX – Repeal and Other Provisions

### A. Repeal and Saving

- 55 With the issue of these Directions, the existing Directions, instructions, and guidelines relating to Asset Liability Management as applicable to All India Financial Institutions stands repealed, as communicated vide [circular DOR.RRC.REC.302/33-01-010/2025-26](#) dated November 28, 2025. The Directions, instructions and guidelines already repealed shall continue to remain repealed.
- 56 Notwithstanding such repeal, any action taken or purported to have been taken, or initiated under the repealed Directions, instructions, or guidelines shall continue to be governed by the provisions thereof. All approvals or acknowledgments granted under these repealed lists shall be deemed as governed by these Directions. Further, the repeal of these directions, instructions, or guidelines shall not in any way prejudicially affect:
- (1) any right, obligation or liability acquired, accrued, or incurred thereunder;
  - (2) any, penalty, forfeiture, or punishment incurred in respect of any contravention committed thereunder;
  - (3) any investigation, legal proceeding, or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture, or punishment as aforesaid; and any such investigation, legal proceedings or remedy may be instituted, continued, or enforced and any such penalty, forfeiture or punishment may be imposed as if those directions, instructions, or guidelines had not been repealed.

### B. Application of other laws not barred

- 57 The provisions of these Directions shall be in addition to, and not in derogation of the provisions of any other laws, rules, regulations, or Directions, for the time being in force.



### **C. Interpretations**

- 58 For the purpose of giving effect to the provisions of these Directions or in order to remove any difficulties in the application or interpretation of the provisions of these Directions, the RBI may, if it considers necessary, issue necessary clarifications in respect of any matter covered herein and the interpretation of any provision of these Directions given by the RBI shall be final and binding.

(Sunil T S Nair)

Chief General Manager



## Annex-I: Statement of Liquidity in Indian Rupees

As on :

Name of the AIFI :

### A. OUTFLOWS

(Amount in ₹crore)

Items/ Time buckets	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
<b>1. Capital</b>											
a) Equity											
b) Non-perpetual preference shares											
<b>2. Reserves &amp; Surplus</b>											
<b>3. Gifts, grants, donations and Benefactions</b>											
<b>4. Notes, bonds &amp; debentures</b>											
a) Plain vanilla bonds/debentures											
b) Bonds/debentures with embedded options											
c) Fixed rate Notes											
<b>5. Deposits</b>											
a) Term deposits from public											
b) ICDs											
c) CDs											
<b>6. Borrowings</b>											
a) Term money Borrowings											
b) From RBI, Govt, & Others											
<b>7. Current Liabilities &amp; Provisions:</b>											
a) Sundry Creditors											
b) Expenses Payable											
c) Advance income received											
d) Interest payable on bonds/deposits											
e) Provisions (other than for NPAs)											
<b>8. Contingent outflows</b>											
a) Letters of credit/guarantees											
b) Loan commitments pending disbursement											
c) Lines of credit committed to other institutions											
d) Outflows on account of repos, forward exchange contracts, forex-rupee swaps (sell/buy), FRAs, IRS,											



bills rediscounted											
<b>9. Others(specify)</b>											
<b>A. TOTAL</b>											
<b>OUTFLOWS (A)</b>											

## B. INFLOWS

<b>Items/ Time <u>buckets</u></b>	<b>1 to 14 days</b>	<b>15 to 28 days</b>	<b>29 days to 3 months</b>	<b>Over 3 to 6 months</b>	<b>Over 6 months to 1 year</b>	<b>Over 1 year to 3 years</b>	<b>Over 3 to 5 years</b>	<b>Over 5 to 7 years</b>	<b>Over 7 to 10 years</b>	<b>Over 10 years</b>	<b>Total</b>
1. Cash											
2. Remittance in transit											
3. Balances with RBI											
4. Balances with other banks											
a) Current account											
b) Deposit /short-term deposits											
c) Money at call & short notice											
5. Investments - under various categories as enumerated in Annex III- (net of provisions)											
6. Advances (performing)											
a) Bills of exchange and promissory notes discounted & rediscounted											
b) Term loans (only rupee loans)											
c) Corporate loans/short term loans											
7. Non-performing loans under various categories enumerated in Annex III - (net of provisions and ECGC claims received)											
8. Inflows from assets on lease											
9. Fixed assets (excluding assets on lease)											
10. Other assets											
a) Intangible assets & other non-cash flow items											



b) Interest and other income receivable											
c) Others											
11. Contingent inflows											
a) Lines of credit committed by other institutions											
b) Bills rediscounted											
c) Forward exchange contracts, forex /rupee swaps (sell/buy)											
d) Repayments against undisbursed commitments											
12. Others											
B. TOTAL INFLOWS (B)											
C. Mismatch (B - A)											
D. Cumulative Mismatch											
E. C as % of A											



## Annex-I-A: Statement of Liquidity in Foreign Currency

Name of the Currency:  
(as on:)  
Name of the AIFI:

### A. OUTFLOWS

(Amt. in millions)

Items/ Time <u>buckets</u>	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
	Item-wise details may be furnished under each category in the respective time- buckets										
1. Bonds & notes issued											
2. Other Borrowings											
3. Interest payable on bonds/ notes/ borrowings											
4. Contingent outflows											
5. Others (specify)											
A. Total Outflows (A)											

### B. INFLOWS

Items/ Time <u>buckets</u>	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
	Item-wise details may be furnished under each category in the respective time- buckets										
1. Balances with other banks											
2. Investments (if any)											
3. Advances (performing)											
4. Non-performing loans Under various											



categories enumerated in Annex III (net of provisions and ECGC claims received)											
5. Other Assets											
6. Contingent inflows											
7. Other (please specify)											
B. TOTAL Inflows (B)											
C. Mismatch (B - A)											
D. Cumulative mismatch											
E. C as % percentage of A											





## Annex– II: Interest Rate Sensitivity Statement for Rupee Assets and Liabilities - AIFI

(as on: )

Name of the AIFI :

### A. LIABILITIES

(Amount in ₹crore)

Items/Time <u>buckets</u>	1 to 28 days	29 days to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Non-	Total
<b>1. Capital</b>											
a) Equity											
b) Non-perpetual preference shares											
<b>2.Reserves &amp; Surplus</b>											
<b>3. Gifts, grants, donations &amp; benefactions</b>											
<b>4. Notes, bonds &amp; debentures</b>											
a) Plain vanilla Bonds/debentures											
b) Bonds/debentures with embedded options											
c) Fixed rate Notes											
d) Floating rate notes / bonds											
<b>5. Deposits</b>											
a) Term deposits from public											
b) Floating rate term deposits											
c) ICDs											



d) CDs											
<b>6. Borrowings</b>											
a) Term money Borrowings											
b) From RBI, Govt. & Others											
<b>7. Current Liabilities &amp; provisions</b>											
a) Sundry Creditors											
b) Expenses Payable											
c) Swap adjustment a/c											
d) Advance income received											
e) Interest payable on Bonds/Deposits/ borrowings											
f) Provisions (other than NPA)											
<b>8. Forward exchange contracts, rupee-forex swaps (sell/buy), bills rediscounted, IRS/ FRAs</b>											
<b>9. Others (specify)</b>											
<b>A. TOTAL LIABILITIES (A)</b>											

<b>Items/ Time <u>buckets</u></b>	<b>1 to 28 days</b>	<b>29 days to 3 months</b>	<b>Over 3 to 6 months</b>	<b>Over 6 months to 1 year</b>	<b>Over 1 year to 3 years</b>	<b>Over 3 to 5 years</b>	<b>Over 5 to 7 years</b>	<b>Over 7 to 10 years</b>	<b>Over 10 years</b>	<b>Non-sensitive</b>	<b>Total</b>
1. Cash											
2. Remittance in transit											
3. Balances with RBI											
4. Balances with other banks											
a) Current account											
b) Deposit /short-term deposits											
c) Money at call & short notice											



<b>5. Investments -</b> under various categories as enumerated in Annex III - (net of provisions)												
<b>6. Advances (performing)</b>												
a) Bills of exchange and promissory notes discounted & rediscounted												
b) Term loans (only rupee loans)												
c) Corporate loans/short term loans												
7. Non-performing loans - under various categories enumerated in Annex III- (net of provisions and ECGC claims received)												
<b>8. Assets on lease</b>												
<b>9. fixed assets</b> (excluding assets on lease)												
<b>10. Other assets</b>												
a) Intangible assets & other non-cash flow items												
b) Interest and other income receivable												
c) Others												
<b>11. Contingent items</b>												
a) Bills rediscounted												
b) Forward exchange contracts, forex-rupee swaps (buy/sell), reverse repos												
c) Repayments against undisbursed commitments												
<b>12. Others (specify)</b>												
<b>C. TOTAL ASSETS (B)</b>												
D. I R GAP (B-A)												
Other Products (Interest Rate)												
<b>(i) FRAs</b>												
<b>(ii) IR Swaps</b>												
<b>(iii) Options</b>												
<b>(iv) Futures</b>												
<b>(v) Others</b>												
<b>(specify)</b>												
<b>E. TOTAL OTHER PRODUCTS (D)</b>												
F. NET GAP (C-D)												
G. CUMULATIVE GAP												
H. E as % of B												





## Annex-II-A: Interest Rate Sensitivity Statement for Foreign Currency Assets and Liabilities

Name of the currency:

(as on :)

Name of the AIFI :

(Amount in millions)

### A. LIABILITIES

Items/ Time <u>buckets</u>	1 to 28 days	29 days to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Non-sensitive	Total
	Item-wise details under each category may be furnished in the respective time-buckets.										
1. Bonds & notes issued											
2. Other borrowings											
3. Interest payable on bonds/ notes/ borrowings											
4. Contingent liabilities											
5. Others (specify)											
A. TOTAL											
LIABILITIES (A)											



## B. ASSETS

Items/ Time <u>buckets</u>	1 to 28 days	29 days to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Non-sensitive	Total
	Item-wise details under each category may be furnished in the respective time-buckets.										
1. Balances, if any with RBI (under " Parking scheme")											
2 Balances with other banks											
3. Investments (if any)											
4. Advances (performing)											
5. Non-performing loans under various enumerated in Annex III (net of provisions and ECGC claims received)											
6. Other Assets											
7. Contingent items											
8. Others (please specify)											
B. Total Assets (B)											

Items/ Time <u>buckets</u>	1 to 28 days	29 days to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Non-sensitive	Total
	Item-wise details under each category may be furnished in the respective time-buckets.										
C. I R GAP (B – A)											
Other Products (Interest Rate)											



(i) FRAs											
(ii) IR Swaps											
(iii) Futures											
(iv) Options											
(v) Others (please specify)											
D. Total Other Products (D)											
E. NET GAP (C-D)											
F. CUMULATIVE GAP											
G. E as % of B											



### Annex III: Maturity Profile for Statement of Liquidity

<b>A. Outflows</b>	
<b>Heads of Account</b>	<b>Time-bucket category</b>
<b>1. Capital funds</b>	
a) Equity capital, Reserves, Funds and Surplus}	The 'Over 10 years' time-bucket.
b) Preference capital – redeemable / non-perpetual	As per the residual maturity of the shares.
<b>2. Gifts, grants, donations and benefactions</b>	The 'Over 10 years' time-bucket. However, if such gifts, grants, etc., are tied to specific end-use, then these may be slotted in the time- bucket as per purpose/end-use specified.
<b>3. Notes, Bonds, and debentures</b> (including subordinated bonds, rupee as well as foreign currency bonds)	
a) Plain vanilla bonds / debentures (rupee as well as foreign currency)	As per the residual maturity of the instruments, in the rupee or the respective foreign currency liquidity report.  The amount of foreign currency bonds/ borrowings which has been deployed in foreign currency assets on a <b>back-to-back basis</b> , should be reported in the currency-wise liquidity statement for the relative currency.
b) Bonds / debentures with embedded call / put options	As per the residual period for the earliest exercise date for the embedded option.  However, the AIFs which have sufficient historical database evidencing the pattern of exercise of such embedded options in the past, could undertake a time-series analysis of such data to analyse the behaviour of the cash outflows and slot the cash flows according to behavioural maturity. In the absence of





	adequate historical database, the entire amount payable under the embedded options should be slotted as per the residual period to the earliest exercise date.
c) Zero-coupon / deep discount bonds	Such bonds, if issued <b>without any embedded options</b> , should be shown in the time bucket corresponding to their residual maturity for the full amount of maturity / face value. In case of such bonds with embedded options, the provisions at item 3(b) above would apply.
d) Fixed rate notes	As per the residual maturity
<b>4. Deposits</b>	
a) Term deposits from public	As per the residual maturity. Alternatively, the AIFIs which are better equipped, could analyse the behaviour of their deposits in terms of exercise of embedded options subject to lock-in period, roll-in and roll-out and outflows of deposits, etc., and slot them as per their behavioural maturity rather than the residual maturity.
b) Inter Corporate Deposits	These being institutional / wholesale deposits, should be slotted as per their residual maturity.
c) Certificates of Deposit	As per the residual maturity.
<b>5. Borrowings</b>	
a) Term money borrowings	As per the residual maturity
b) From RBI, Govt. & others	-do-
<b>6) Current liabilities and provisions</b>	
a) Sundry creditors	As per the due date or likely timing of cash outflows. A behavioural analysis could also be made to assess the trend of outflows and the amounts slotted accordingly.
b) Expenses payable (other than interest)	As per the likely timing of the cash outflow.
c) Advance income received, receipts from borrowers pending adjustment	In the '10 year and above' time-bucket as these do not involve any cash outflow.
d) Interest payable on bonds / deposits / Borrowings	The cash outflows during the entire life of the bond / deposit are to be captured and not only the amount of interest accrued till



	<p>the reporting date. The cash outflows should be slotted in respective time buckets as per the residual period to the due date of payment.</p> <p>The amount of interest overdue (including the amount pre-funded in the account with RBI for servicing of outstanding SLR bonds pending claims from investors) should be shown in 1 - 14 days time-bucket.</p> <p>In case of floating rate bonds/deposits, the amount of interest outflow may be calculated at the floating rate applicable on the reporting date. However, the AIFIs which are better equipped, will have the choice of calculating the interest outflows at <b>forward-to-forward interest rate</b> derived from the benchmark underlying the floating rate liability.</p>
e) Provisions for NPAs and the Standard assets	The amount of provision may be netted out from the gross amount of the loan portfolio and the net amount of loan assets be shown as an item under inflows in stipulated time-buckets.
f) Provision for Investments portfolio	The amount may be netted from the gross value of investments portfolio and the net investments be shown as inflow in the prescribed time-slots. In case provisions are not held security-wise, the provision may be shown in 'over 10 years' bucket.
g) Other provisions	To be bucketed as per the purpose/nature of the underlying transaction.

<b>B. Inflows</b>	
<b>Heads of Account</b>	<b>Time-bucket category</b>
<b>1. Cash</b>	In 1 to 14 days time-bucket.
<b>2. Remittance in transit</b>	- do-
<b>3. Balances with RBI</b>	- do-



<b>4. Balances with banks (in India only)</b>	
a) Current account	The stipulated minimum balance be shown in 1 to 3 years bucket. The balance in excess of the minimum balance be shown in 1 to 14 days time bucket.
b) Money at call and short notice	In 1 to 14 days time bucket.
c) Deposit accounts/short term deposits	As per residual maturity.
<b>5. Investments</b> (net of provisions if the provisions are held scrip-wise)	
a) <b>Securities held in Trading Book</b>	An AIFI which maintains separate Trading Book consisting of securities that comply with the stipulations of <a href="#">paragraph 31</a> of the Directions and duly approved as such by the Board / ALCO, are permitted to bucket such securities under the 1-14 days, 15-28 days, and 29-90 days buckets on the basis of the defeasance periods.
b) <b>Securities outside the Trading book</b>	
i) Government securities	As per residual maturity of the securities.
ii) Corporate bonds and debentures	As per residual maturity of the instruments.  However, the bonds/debentures valued by applying NPA norms due to non-servicing of interest, should be shown in time buckets as prescribed below at items 7(a) and 7(b) respectively.
iii) Non-convertible, redeemable preference shares and units of closed-ended mutual funds.	As per residual maturity of the instruments.
iv) Equity shares; convertible preference shares; non-redeemable perpetual preference shares; shares of	In 'Over 10 year' time-bucket. However, the equity holdings in the assisted companies, acquired as part of the overall financing



subsidiaries/joint ventures and units in open ended mutual funds.	package, should be slotted as per the specific disinvestment plan formulated for such holdings. In case, a specific disinvestment plan has not been evolved, the equity holdings should be shown as an inflow in the 'Over 10 year' bucket.
v) Venture capital units	In the ' Over 10 year' time bucket.
<b>6. Advances (performing)</b>	
a) Bill of Exchange and promissory notes discounted and rediscounted	As per the residual usance of the underlying bills.
b) Term loans (rupee loans including the export Loans funded out of rupee resources but denominated in foreign currencies)	<p>The cash inflows on account of the interest and principal of the loan may be slotted in respective time buckets as per the timing of the cash flows as stipulated in the original/revised repayment schedule.</p> <p>The AIFI which finance its exporter-clients out of rupee resources but <b>denominate such loans in their books in foreign currency</b> to be extinguished out of the export proceeds, should report such assets in the rupee liquidity statement since such loans are funded out of rupee resources.</p>
c) Corporate loans/short term loans	<p>As per the residual maturity.</p> <p>However, the AIFI which have the adequate database on the past pre-payment behaviour of such loans, may undertake time-series analysis and slot such loans as per behavioural maturity.</p>
<b><u>7. Non-performing loans</u></b>	
(May be shown net of the provisions, interest suspense held and the amount of claims received from ECGC.)	
<b>a) <u>Sub-standard</u></b>	



i) All overdues and instalments of principal falling due during the next three years	In the 3 to 5 year time-bucket.
ii) Entire principal amount due beyond the next three year	In the time-bucket arrived at after adding 3 years to the respective due dates of various instalments of principal.
<b>b) <u>Doubtful and loss</u></b>	
i) All instalments of principal falling due during the next five years as also all overdues	In the 5 to 7 year bucket.
ii) Entire principal amount due beyond the next five ears	In the time-bucket arrived at after adding five years to the respective due dates of various instalments of principal.
<b>8. Assets on lease</b>	Entire cash flows from the lease transaction, representing principal as well as interest element, may be slotted in respective time buckets as per the timing of the cash flow.
<b>9. Fixed assets</b> (excluding leased assets)	In the 'Over 10 year' time-bucket.
<b><u>10. Other assets</u></b>	
(a) Intangible assets and items not representing cash inflows.	In the 'Over 10 year' time-bucket.
(b) Other items (such as other receivables, staff loans, etc.)	In respective maturity buckets as per the residual period to the timing of the cashflows. As regards the <b>future income from assets</b> , the cash inflow over the entire life of the asset should be captured and not only till the reporting date. However, for loan assets, the future income should be reckoned only in respect of standard assets at the level existing on the reporting date and for debt securities, the interest income should be reckoned as inflow only if the interest is serviced regularly.

<b>C. Contingent cash flows</b>	
---------------------------------	--



a) Letters of credit/guarantees (outflow through Devolvement)	<p>Based on the past trend analysis of the devolvments vis-a-vis the outstanding amount of LCs / guarantees (net of margins held), the likely devolvments should be estimated and this amount could be distributed in various time buckets on judgmental basis. The assets created out of devolvments may be shown under respective maturity buckets on the basis of probable recovery dates.</p> <p>The LCs established against sanctioned assistance would be in the nature of undisbursed commitments and should be slotted as an outflow in the time-buckets arrived at keeping in view the validity period of LC / shipment schedule under LC / due date of bills stipulated under the LC</p>
b) Loan commitments pending disbursement / undisbursed commitments (outflow)	<p>Only that amount of undisbursed commitments should be captured in the liquidity report in respect of which the <b>notice for draw-down</b> has been received from the borrower. In case, however, the terms of sanction do not stipulate any notice to be given by the borrower, the entire amount of undisbursed commitment should be slotted in the respective time buckets as per the sanctioned disbursement schedule.</p>
c) Repayments against the undisbursed commitments	<p>Such future inflows should be slotted in the relative time buckets as per the stipulated repayment schedule under the terms of sanction, only in respect of the amount reckoned at item (b) above.</p>
d) Lines of credit committed to/by other Institutions (outflow / inflow)	<p>In the 1 to 14 day time-bucket. However, if the draw-down under the line of credit is subject to a specified notice period of more than 14 days, such notice period should also be reckoned in deciding the appropriate time bucket.</p>
e) Underwriting commitments (outflow)	<p>Based on the analysis of the past trend of devolvement of underwriting commitments, the amount of such commitments may be slotted in the relative time bucket as per the time schedule of IPO/finalisation of allotment.</p>



f) Forward exchange contracts (inflow/outflow)	As per the residual maturity of the contract
g) rupee-foreign currency swaps (forex swaps) (inflow/outflow)	
h) bills rediscounted (inflow)	As per the residual maturity of the underlying bills
i) Repos/reverse repos (inflow/ outflow)	As per the residual maturity of the underlying ready forward deal
j) Interest rate swaps (inflows / outflows)	As per the residual period till each of the contractual cash flows under the IRS / FRAs / currency swaps. The cash flows relating to currency swaps may be shown in the liquidity statement of the respective currencies.
k) Forward rate agreements (inflows/outflows)	
i) Currency Swaps (financial swaps)	

**Note:**

- a. Any event-specific cash flows (e.g. outflow due to wage settlement arrears, capital expenses, income tax refunds, etc.) should be shown in a time bucket corresponding to timing of such cash flows.
- b. All overdue liabilities be shown in the 1 to 14 days time bucket.
- c. Overdue receivables on account of interest and instalments of standard loans should be slotted as below:

(i)	Interest overdue for less than one month.	Day 1-14 and 15-28 days time bucket based on behavioural estimates.
(ii)	Interest and instalment due (before classification as NPAs)	In 29 days to 3 months time bucket.



**D. Financing of liquidity gaps:**

The negative gap (i.e., where outflows exceed inflows) in the 1 to 14 days and 15 to 28 days time-bucket should not exceed the prudential limit of 10 per cent and 15 per cent respectively of the cash outflows of each time-bucket. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit, should be shown by a footnote in the relative statement.





#### Annex IV: Interest Rate Sensitivity Profile

<b>Heads of accounts</b>	<b>Time bucket for rate sensitivity</b>
<b><u>A. LIABILITIES</u></b>	
1. Capital, Reserves & Surplus	Non-sensitive
2. Gifts, grants & benefactions	Non-sensitive
<b>3. Notes, bonds &amp; debentures:</b>	
a) Floating rate	Sensitive; re-price on the roll- over / re-pricing date should be slotted in respective time buckets as per the re-pricing dates.
b) Fixed rate (plain vanilla) including zero coupons	Sensitive; re-price on maturity. To be placed in respective time buckets as per the residual maturity of such instruments.
c) Instruments with embedded options	<p>Sensitive; could re-price on the exercise date of the option, particularly in rising interest rate scenario. To be placed in respective time buckets as per the residual period till the immediately ensuing exercise date.</p> <p>However, the AIFI which has sufficient historical data base evidencing the pattern of exercise of such embedded options in the past, could undertake a time-series analysis of such data to analyse the behaviour of the cash flows and slot them accordingly in the relative time-buckets. In the absence of adequate historical database, the entire amount payable under the embedded options should be slotted as per the residual period to the earliest exercise date.</p>
<b>4. <u>Deposits</u></b>	
a) Term deposits from public	Sensitive; could re-price on maturity or in case of premature withdrawal being permitted, after the lock-in period, if any, stipulated for such withdrawal. To be slotted in respective time



i) Fixed rate	buckets as per residual maturity or as per residual lock-in period, as the case may be. The prematurely withdrawable deposits with no lock-in period or past such lock-in period, should be slotted in the earliest /shortest time bucket.
ii) Floating rate	Sensitive; re-price on the contractual roll-over date. To be slotted in the respective time-buckets as per the residual period till the earliest ensuing re-pricing date.
b) Certificates of deposits and ICDs	Sensitive; re-price on maturity. To be slotted as per the residual maturity in the respective time buckets.
<b>5. Borrowings:</b>	
a) Term-money borrowing	Sensitive; re-prices on maturity. To be placed as per residual maturity in the relative time bucket.
b) Borrowings from RBI, Government. & others	Sensitive; re-price on maturity. To be placed as per residual maturity in the relative time bucket.
i) Fixed rate	
ii) Floating rate	Sensitive; re-price on the roll-over / re-pricing date. To be placed as per residual period to the re-pricing date in the relative time bucket.  In case of borrowings from RBI linked to the Policy Rate, the entire amount of borrowing should be slotted in the 1 to 28 days time-bucket.
a) Sundry creditors	Sensitive on payment. To be slotted as per the residual period to the likely date of payment.
b) Expenses payable	Expenses payable
c) Swap adjustment a/c.	Non-sensitive.
d) Advance income received / receipts from borrowers pending adjustment	Sensitive on payment. The cash outflows during the entire life of the bond/deposit are to be captured and not only the



	amount of interest accrued till the reporting date. The cash outflows should be slotted in respective time buckets as per the residual period to the due date of payment.
e) Provisions	The amount of interest overdue (including the amount pre-funded in the account with RBI for servicing of outstanding old SLR bonds pending claims from investors) should be shown in 1 - 28 days time-bucket.
f) Interest payable on bonds / deposits / borrowings	In case of floating rate bonds/deposits, the amount of interest outflow may be calculated at the floating rate applicable as on the reporting date. However, the AIFI which is better equipped, will have the choice of calculating the interest amount at forward-to-forward interest rate derived from the benchmark underlying the floating rate liability.
<b>7(a). Repos / bills rediscounted / Forex-rupee swaps (sell/ buy)</b>	Sensitive; re-price on maturity. To be placed as per the residual maturity of the underlying ready forward deal / bills / forex contract, in the respective time-buckets.
<b>7(b) Interest rate swaps / Forward Rate Agreements / Currency Swaps (financial swaps)</b>	Sensitive on payment. The contractual cash outflows under the IRS / FRAs / currency swaps should be placed as per the residual period till each of the contractual cash flows. The cash flows relating to currency swaps may be shown in the IRS statement of the respective currencies.
<b><u>B. ASSETS:</u></b>	
<b>1. Cash</b>	Non-sensitive.
<b>2. Balance with RBI</b>	Non-sensitive (since only current account is maintained with RBI).
<b>3. Balances with other banks in</b>	



<p><b>India</b></p> <p>a) In current account</p> <p>b) In deposit accounts, Money at call and short notice and other placements.</p>	<p>Non-sensitive.</p> <p>Sensitive; re-prices on maturity. To be placed as per residual maturity in respective time-buckets.</p>
<p><b>4. Investments</b> (net of provisions if the provisions are held scrip-wise)</p>	
<p><b><u>a) Securities in the Trading Book</u></b></p>	<p>Sensitive on maturity / repricing or roll-over date. The FIs which maintain separate 'Trading Book' consisting of securities which comply with the stipulations of <a href="#">paragraph 31</a> of the Directions and duly approved as such by the Board / ALCO, should be slotted as per their residual maturity (or repricing maturity in case of floating rate instruments).</p>
<p><b><u>b) Securities outside the trading book</u></b></p>	
<p>a) Fixed income securities</p> <p>(e.g., govt. securities; zero coupon bonds; bonds; debentures; cumulative / non-cumulative redeemable preference shares, etc.)</p>	<p>Sensitive on maturity. In addition, the interest / dividend cash flows during the life of the security would also be sensitive on receipt.</p> <p>The principal amount of securities / face value of ZCBs to be slotted as per residual maturity. The cash flows on account of interest to be slotted in the buckets as per the timing of the cash flow. As regards the dividends on preference shares, particularly on cumulative ones, the bucket may be decided on judgemental basis.</p> <p>However, the bonds / debentures valued by applying NPA norms due to non-servicing of interest, should be shown, net of provisions made, in the time buckets prescribed at items B.7(a) and B.7(b) in Annex III.</p>



b) Floating rate securities	Sensitive at the next re-pricing date. To be slotted as per residual time to the re-pricing date in the respective buckets.
c) Equity shares, convertible, preference shares, shares of subsidiaries / joint ventures, venture capital units.	Non-sensitive.  However, the equity holdings in the assisted companies, acquired as part of the overall financing package, should be slotted as per the specific disinvestment plan formulated for such holdings. In case, a specific disinvestment plan has not been evolved, the equity holdings should be shown as an inflow in the Non-sensitive bucket.
<b>5. <u>Advances (performing)</u></b>	
a) Bills of exchange, promissory notes discounted & rediscounted	Sensitive on maturity. To be slotted as per the residual usance of the underlying bills.
b) Term loans / corporate loans / Short Term Loans  i) Fixed Rate   ii) Floating Rate	 Sensitive on maturity. The interest cash flows on the loans will be sensitive on receipt and should be slotted as per the timing of the cash flow.  Sensitive only on the reset date when the risk premium is changed by the AIFI. The amount of term loans should be slotted in time buckets which correspond to the reset date when the rate might be changed in response to the changes in their PLR or market interest rates. The interest amount would be sensitive on receipt and should be slotted as per the timing of the interest payment. The amount of interest should be calculated at the rate applicable on the reporting date.
<b>6. <u>Non-performing loans:</u></b>	



(net of provisions, interest suspense and claims received from ECGC) a) Sub-standard b) Doubtful and loss	To be slotted as indicated at items B.7 (a) & B.7(b) of Annex III.
<b>7. Assets on lease</b>	The cash flows on lease assets are sensitive on receipt. The entire cash flows on leased assets, representing principal as well as interest element, be slotted in respective time-buckets as per the timing of the cash flows.
<b>8. Fixed assets (excluding assets on lease)</b>	Non-sensitive
<b>9. <u>Other assets</u></b> a) Intangible assets and items not representing cash flows. b) Other items (e.g., receivables)	Non-sensitive.  Sensitive on receipt. To be slotted in respective maturity buckets as per the residual period to the timing of the cashflows. As regards the <b>future income from assets (such as deposits, loans &amp; investments)</b> , the cash inflow over the entire life of the asset should be captured and not only till the reporting date. However, for loan assets, the future income should be reckoned only in respect of standard assets and for debt securities, the interest income should be reckoned as inflow only if the interest is serviced regularly.
<b>10. Reverse Repos / Forex-rupee swaps (buy/sell)/Bills rediscounted (Derivative Usance Promissory Notes)</b>	Sensitive on maturity. To be slotted as per residual maturity of the underlying transaction.
<b>11. Repayments against the undisbursed commitments</b>	Sensitive on receipt of payment. Such future inflows should be slotted in the relative time buckets as per the stipulated



	repayment schedule under the terms of sanction.
<b>12. <u>Other (interest rate) products</u></b>	
a) Interest rate swaps / Forward Rate Agreements / Currency swaps (financial swaps)	Sensitive on payment. The contractual cash inflows under the IRS / FRAs / currency swaps should be placed as per the residual period till each of the contractual cash flows. The cash flows relating to currency swaps may be shown in the IRS statement of the respective currencies.
b) Other derivatives	To be classified suitably as and when introduced.