

Net Stable Funding Ratio – March 2022

Qualitative disclosure around NSFR

The Net Stable Funding Ratio (NSFR) and Liquidity Coverage Ratio (LCR) are significant components of the Basel III reforms. The LCR guidelines which promote short term resilience of a Bank's liquidity profile, Net Stable Funding Ratio (NSFR) is a global minimum standard aimed at ensuring reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress. It is a ratio of Bank's **Available Stable Funding (ASF)** to the **Required Stable Funding (RSF)**.

"Available stable funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required stable funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures.

The Bank computes NSFR in accordance with RBI guidelines. The Bank believes that all balance sheet and off balance sheet items which might have a material impact have been considered for the purpose of NSFR.

The NSFR is calculated by dividing a Bank's ASF by its RSF for the entire balance sheet items based on the different factors as per the residual maturity. The guidelines for NSFR were effective October 1, 2021, with the minimum requirement at 100%. The Bank's NSFR as of the quarter ended March 31, 2022 stood at **118.58%**.

NSFR as at 31st March, 2022

₹ in Crore)		Unweighted value by residual maturity				Weighted value
		No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item						
1	Capital: (2+3)	-	-	-	12,953	12,953
2	Regulatory capital	-	-	-	12,953	12,953
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	16,326	4,220	2,903	7,683	27,969
5	Stable deposits	705	125	88	202	829
6	Less stable deposits	15,621	4,095	2,815	7,481	27,140
7	Wholesale funding: (8+9)	11,553	28,962	10,147	8,307	20,566
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	11,553	28,962	10,147	8,307	20,566
10	Other liabilities: (11+12)	1,788	-	-	136	136
11	NSFR derivative liabilities	-	-	-	-	-
12	All other liabilities and equity not included in the above categories	1,788	-	-	136	136
13	Total ASF (1+4+7+10)					61,624
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					1,010
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
16	Performing loans and securities: (17+18+19+21+23)	14	34,664	3,436	28,523	41,067
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	-	5,943	1,000	6,607	7,999
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	28,721	2,436	20,400	32,072
20	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>	-	-	-	4,230	2,750
21	Performing residential mortgages, of which:	-	-	-	1,516	985
22	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>	-	-	-	1,516	985

	₹ in Crore)	Unweighted value by residual maturity				Weighted value
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23	Securities that are not in default and do not qualify as HQLA, including exchange- traded equities	14	-	-	-	11
24	Other assets: (sum of rows 25 to 29)	7,548	-	-	-	7,474
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	494	-	-	-	420
27	NSFR derivative assets	2	-	-	-	2
28	NSFR derivative liabilities before deduction of variation margin posted	0	-	-	-	0
29	All other assets not included in the above categories	7,052	-	-	-	7,052
30	Off-balance sheet items	56,561	-	-	-	2,415
31	Total RSF	64,123	34,664	3,436	28,523	51,966
32	Net Stable Funding Ratio (%)					118.58%