

Net Stable Funding Ratio – June 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 June 30, 2022 stood at **122.39%**.

NSFR as at 30th June, 2022

NSFR as at 30 th June, 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)	-	-	-	13,695	13,695
2	Regulatory capital	-	-	-	13,695	13,695
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	16,427	3,835	3,428	8,124	28,573
5	Stable deposits	505	112	98	204	644
6	Less stable deposits	15,922	3,723	3,330	7,920	27,929
7	Wholesale funding: (8+9)	12,166	28,273	10,690	8,143	20,926
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	12,166	28,273	10,690	8,143	20,926
10	Other liabilities: (11+12)	1,762	-	-	173	173
11	NSFR derivative liabilities		-	-	-	
12	All other liabilities and equity not included in the above categories	1,762	-	-	173	173
13	Total ASF (1+4+7+10)					63,367
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					1,257
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
16	Performing loans and securities: (17+18+19+21+23)	13	36,386	2,228	27,905	40,648
17	Performing loans to financial institutions secured by Level 1 HQLA	-	798	-	-	80
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	5,001	917	6,215	7,424
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:	-	30,587	1,311	20,080	32,087
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	4,654	3,025
21	Performing residential mortgages, of which:	-	-	-	1,610	1,046
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	1,610	1,046

	(₹ in Crore)	Unweighted value by residual maturity				Weighted value
		No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
23	Securities that are not in default and do not qualify as HQLA, including exchange- traded equities	13	-	-	-	11
24	Other assets: (sum of rows 25 to 29)	7,268	-	-	-	7,139
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	533	-	-	-	453
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	6,733	-	-	-	6,684
30	Off-balance sheet items	63,792	-	-	-	2,730
31	Total RSF	71,073	36,386	2,228	27,905	51,774
32	Net Stable Funding Ratio (%)					122.39%