

Net Stable Funding Ratio: December 31, 2024 Net Stable Funding Ratio (NSFR) is a new funding requirement and aims to ensure a stable funding of the balance sheet. The purpose of NSFR is to ensure that the banks have sufficiently stable funding available. The aim of NSFR requirements is to restrict maturity mismatches between assets and liabilities and limit the reliance on unstable short-term funding to finance potentially illiquid long-term assets. The NSFR reduces long-term refinancing risk and assesses resilience over longer-term time horizon (over 1 year) of the Bank by measuring the extent of stable sources of funds with the Bank to fund its long term assets. The NSFR shows a bank's ability to manage structural liquidity risk over a one-year horizon. It ensures that a bank's long term illiquid assets are funded with a minimum amount of stable long-term funding.

Net Stable Funding Ratio (NSFR) is defined as amount of available stable funding relative to the amount of required stable funding.

1. Available stable funding (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon, which extends to one year.

2. Required stable funding (RSF) is defined as the assets and off balance sheet exposure requiring long term funding.

The amount of funding is a function of the liquidity characteristics and residual maturities of the various assets. NSFR is implemented effective from October 1, 2021 and the minimum regulatory requirement is 100%. An NSFR of above 100% means that the long-term illiquid assets are adequately funded with stable funding.

The NSFR was at 130.38% as on December 31, 2024, is above the minimum regulatory NSFR requirement.

The Available Stable Funding (ASF) is primarily driven by the total regulatory capital as per Basle III Capital Adequacy guidelines stipulated by RBI and deposits from retail customers, small business customers and non-financial corporate customers. Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more, excluding loans to financial institutions.

The Liquidity Risk Management of the Bank is governed by the Asset Liability Management (ALM) Policy approved by the Board. The Asset Liability Committee (ALCO) is a decision-making unit responsible for implementing the liquidity and interest rate risk management strategy of the Bank in line with its risk management objectives and ensures adherence to the risk tolerance/limits set by the Board / regulator.

(Amt in Mio)

NSFR Disclosure Template as on December 31, 2024					
Particulars	Unweighted value by residual maturity				Weighted Value
	No maturity*	less than 6 months	6 months to < 1yr	More than 1 Year	
ASF Item					
1 Capital: (2+3)	8,114	-	-	2,240	10,354
2 Regulatory capital	8,114			2,240	10,354
3 Other capital instruments	-			-	
4 Retail deposits and deposits from small business customers: (5+6)	9,234	8,454	6,888	13,294	34,094
5 Stable deposits	-	-	-	-	-
6 Less stable deposits	9,234	8,454	6,888	13,294	34,094
7 Wholesale funding: (8+9)	5,553	17,553	9,093	4,684	13,414
8 Operational deposits	-	-	-	-	-
9 Other wholesale funding	5,553	17,553	9,093	4,684	13,414
10 Other liabilities: (11+12)	3,359	1,062	475	-	-
11 NSFR derivative liabilities	-	-	-	-	-
12 All other liabilities and equity not included in the above categories	3,359	1,062	475	-	-
13 Total ASF (1+4+7+10)	26,260	27,070	16,457	20,218	57,862
RSF Item					
14 Total NSFR high-quality liquid assets (HQLA)					1,162
15 Deposits held at other financial institutions for operational purposes	158	0	0	0	79
16 Performing loans and securities: (17+18+19+21+23)	-	12,542	5,682	30,248	34,904
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	-	1,947	1,819	5,972	7,173
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:	-	10,585	3,710	22,976	26,678
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		131		999	914
21 Performing residential mortgages, of which:	-	-	152	688	523
22 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk			152	688	523
23 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	11	-	613	530
24 Other assets: (sum of rows 25 to 29)	6,496	686	215	85	7,038
25 Physical traded commodities, including gold	-	-			-
26 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	975	-	-	-	829
27 NSFR derivative assets	6				6
28 NSFR derivative liabilities before deduction of variation margin posted	91				91
29 All other assets not included in the above categories	5,424	686	215	85	6,112
30 Off-balance sheet items	32,272				1,197
31 Total RSF	38,926	13,228	5,896	30,333	44,380
32 Net Stable Funding Ratio (%)					130.38%
* Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.					

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