



SBM Bank (India) Ltd

Net Stable Funding Ratio: June 30, 2022 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 at 118.46% as on June 30, 2022 is above the minimum regulatory NSFR requirement.

(Amt in Mio)

NSFR Disclosure Template as on June 30, 2022						
(INR in Crore)	Unweighted value by residual maturity				Weighted Value	
	No maturity*	< 6 months	6 months to < 1yr	=1 Yr		
ASF Item						
1 Capital: (2+3)	7,401	-	-	-	7,401	
2 Regulatory capital	7,401				7,401	
3 Other capital instruments	-				-	
4 Retail deposits and deposits from small business customers: (5+6)	4,743	3,692	6,034	7,272	19,880	
5 Stable deposits						
6 Less stable deposits	4,743	3,692	6,034	7,272	19,880	
7 Wholesale funding: (8+9)	13,224	20,726	13,047	11,887	26,152	
8 Operational deposits	-					
9 Other wholesale funding	13,224	20,726	13,047	11,887	26,152	
10 Other liabilities: (11+12)	3,013	17	-	4	-	
11 NSFR derivative liabilities	-				-	
12 All other liabilities and equity not included in the above categories	3,013	17		4	-	
13 Total ASF (1+4+7+10)	28,381	24,435	19,081	19,163	53,434	
RSF Item						
14 Total NSFR high-quality liquid assets (HQLA)					1,482	
15 Deposits held at other financial institutions for operational purposes	0	0	0	0		
16 Performing loans and securities: (17+18+19+21+23)	991	13,677	367	30,714	33,646	
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	991	13,677	307		7,600	
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:				30,142	25,621	
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				-	-	
21 Performing residential mortgages, of which:	-	-	-	558	363	
22 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				558	363	
23 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		-	60	14	63	
24 Other assets: (sum of rows 25 to 29)	10,108	-	-	-	9,956	
25 Physical traded commodities, including gold	-				-	

26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	1,013				861
27	NSFR derivative assets	155				155
28	NSFR derivative liabilities before deduction of variation margin posted	24				24
29	All other assets not included in the above categories	8,917				8,917
30	Off-balance sheet items	710				21
31	Total RSF	11,810	13,677	367	30,714	45,105
32	Net Stable Funding Ratio (%)					118.46%

* 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.