



SBM Bank (India) Ltd

Net Stable Funding Ratio: March 31, 2023 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 127.18% as on March 31, 2023 is above the minimum regulatory NSFR requirement.

NSFR Disclosure Template as on March 31, 2023						(Amt in Mio)
(INR in Crore)	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)	9,749	-	-	-	9,749	
2 Regulatory capital	7,509	-	-	-	7,509	
3 Other capital instruments	2,240	-	-	-	2,240	
4 Retail deposits and deposits from small business customers: (5+6)	8,182	4,688	5,809	12,391	28,649	
5 Stable deposits	-	-	-	-	-	
6 Less stable deposits	8,182	4,688	5,809	12,391	28,649	
7 Wholesale funding: (8+9)	12,319	14,311	12,690	9,250	21,259	
8 Operational deposits	-	-	-	-	-	
9 Other wholesale funding	12,319	14,311	12,690	9,250	21,259	
10 Other liabilities: (11+12)	3,027	8,655	181	-	-	
11 NSFR derivative liabilities	-	-	-	-	-	
12 All other liabilities and equity not included in the above categories	3,027	8,655	181	-	-	
13 Total ASF (1+4+7+10)	33,277	27,654	18,680	21,641	59,657	
RSF Item						
14 Total NSFR high-quality liquid assets (HQLA)					1,797	
15 Deposits held at other financial institutions for operational purposes	233	0	0	0	116	
16 Performing loans and securities: (17+18+19+21+23)	-	10,972	2,392	35,885	37,560	
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	-	411	522	4,637	4,959	
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:	-	10,495	863	30,152	31,208	
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	4,312	-	-	4,312	
21 Performing residential mortgages, of which:	-	-	201	992	846	
22 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	201	992	846	
23 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	66	806	104	547	
24 Other assets: (sum of rows 25 to 29)	6,202	126	119	471	6,764	
25 Physical traded commodities, including gold	-	-	-	-	-	
26 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	1,033	-	-	-	878	
27 NSFR derivative assets	252	-	-	-	252	
28 NSFR derivative liabilities before deduction of variation margin posted	26	-	-	-	26	
29 All other assets not included in the above categories	4,891	126	119	471	5,608	
30 Off-balance sheet items	13,664	-	-	-	669	
31 Total RSF	20,099	11,099	2,512	36,356	46,906	
32 Net Stable Funding Ratio (%)					127.18%	

* 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.