CITY UNION BANK

CUB TRUST AND EXCELLENCE SINCE 1904

Net Stable Funding ratio (NSFR)

RBI vide its draft circular dated May 28, 2015 has prescribed norms for introduction of Net Stable Funding Ratio (NSFR). The final guidelines on "Net Stable Funding Ratio (NSFR) " under the Basel III Framework on Liquidity Standards was issued by RBI on May 17, 2018. However, due to the Covid-19 outbreak, RBI on various dates has extended the implementation of NSFR guidelines. As per RBI circular on 05.02.2021, the NSFR guidelines have been implemented from 01.10.2021.

LCR & NSFR for funding liquidity were prescribed by the Basel Committee for achieving two separate but complementary objectives. While LCR promotes short-term resilience of Banks to potential liquidity disruptions by ensuring that they have sufficient HQLAs to survive an acute stress scenario lasting for 30 days, the NSFR promotes resilience over a longer-term time horizon by requiring Banks to fund their activities with more stable sources of funding on an ongoing basis.

The NSFR is defined as the amount of Available Stable Funding (ASF) relative to the amount of Required Stable Funding (RSF). The Bank is maintaining NSFR of above 100%, which is the minimum requirement prescribed by RBI.

$$\text{Net Stable Funding Ratio} = \frac{\text{Available Stable funding (ASF)}}{\text{Required stable funding (RSF)}} >= 100\%$$

(₹ in Crore)		NSFR Disclosure 31.03.2025					NSFR Disclosure 31.12.2024				
		Un weighted value by residual maturity				Weighted value	Un weighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6.00 months to < 1yr	≥ 1yr	
		ASF Item					ASF Item				
1	Capital: (2+3)	9499.82				9499.82	8484.10				8484.10
2	Regulatory capital	9499.82				9499.82	8484.10				8484.10
3	Other capital instruments										
4	Retail deposits and deposits from small business customers: (5+6)	14207.91	19479.14	10925.76	2685.68	40954.58	13202.99	9700.77	16961.76	2695.90	36647.47
5	Stable deposits	8049.13	5953.15	2058.82	543.57	15258.05	7673.76	2149.66	5546.65	640.29	14601.57
6	Less stable deposits	6158.78	13525.99	8866.94	2142.11	25696.54	5529.23	7551.11	11415.11	2055.61	22045.91
7	Wholesale funding: (8+9)	3861.97	1329.79	5528.81	1435.06	3429.30	2862.64	1977.97	6283.20	1333.75	4130.59
8	Operational deposits										
9	Other wholesale funding	3861.97	1329.79	5528.81	1435.06	3429.30	2862.64	1977.97	6283.20	1333.75	4130.59
10	Other liabilities: (11+12)	10844.65			5763.01	5763.01	10425.14			6198.67	6198.67
11	NSFR derivative liabilities										
12	All other liabilities and equity not included in the above categories	10844.65			5763.01	5763.01	10425.14			6198.67	6198.67
13	**Total ASF (1+4+7+10)**					59646.71					55460.83
		RSF Item									
14	Total NSFR highquality liquid assets (HQLA)					834.47					707.25
15	Deposits held at other financial institutions for operational purposes										
16	**Performing loans and securities: (17+18+19+21+23)**		**12361.66**	**19995.43**	**18562.33**	**30392.13**		**14632.01**	**15416.06**	**18170.45**	**28495.02**
17	Performing loans to financial institutions secured by Level 1 HQLA										
18	Performing loans to financial institutions secured by nonLevel 1 HQLA and unsecured performing loans to financial institutions		93.33	134.29	1272.73	81.14		706.75	58.40	1488.98	135.21
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:		12201.62	19780.16	14319.53	27985.58		13873.78	15288.95	14297.60	26537.36
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		35.86	114.71	884.53	574.95		28.89	171.69	984.80	640.12
21	Performing residential mortgages, of which:		66.71	80.98	2970.07	2325.41		51.48	68.71	2383.87	1822.44
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0.77	2.46	1364.99	887.25		0.65	2.35	1319.68	857.79
23	Securities that are not in default and do not qualify as HQLA, including exchange traded equities										
24	**Other assets: (sum of rows 25 to 29)**	**5583.54**				**6395.28**	**7235.80**				**7910.30**
25	Physical traded commodities, including gold										
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	1778.51				1511.73	1693.37				1439.36
27	NSFR derivative assets	37.99				37.99	9.85				9.85
28	NSFR derivative liabilities before deduction of variation margin posted	30.04				1.50	26.60				1.33
29	All other assets not included in the above categories	3737.00	1401.70	25.27	386.23	4844.06	5505.98	994.46	28.98	421.10	6459.76
30	Offbalance sheet items	7911.40				383.56	7543.43				364.60
31	Total RSF					38005.44					37477.17
32	Net Stable Funding Ratio (%)					**156.94%**					**147.99%**

	(₹ in Crore)	NSFR Disclosure 30.09.2024					NSFR Disclosure 30.06.2024				
		Un weighted value by residual maturity				Weighted value	Un weighted value by residual maturity				Weighted value
		No maturity	< 6 months	6.00 months to < 1yr	≥ 1yr		No maturity	< 6 months	6.00 months to < 1yr	≥ 1yr	
		ASF Item					ASF Item				
1	Capital: (2+3)	8490.87				8490.87	8497.57				8497.57
2	Regulatory capital	8490.87				8490.87	8497.57				8497.57
3	Other capital instruments										
4	Retail deposits and deposits from small business customers: (5+6)	13461.58	11143.76	14682.03	2809.15	36119.40	13439.53	14298.70	8079.33	5495.54	32970.69
5	Stable deposits	7682.18	2574.17	4958.89	688.50	14454.48	7659.67	3751.99	3285.99	1087.28	13962.77
6	Less stable deposits	5779.40	8569.59	9723.14	2120.65	21664.92	5779.86	10546.71	4793.34	4408.26	19007.92
7	Wholesale funding: (8+9)	3356.62	973.82	4493.80	2051.95	2733.81	2689.07	2003.30	3629.39	1431.67	2816.34
8	Operational deposits										
9	Other wholesale funding	3356.62	973.82	4493.80	2051.95	2733.81					
10	Other liabilities: (11+12)	10795.73			7251.43	7251.43	2689.07	2003.30	3629.39	1431.67	2816.34
11	NSFR derivative liabilities										
12	All other liabilities and equity not included in the above categories	10795.73			7251.43	7251.43	11040.06			9087.36	9087.36
13	**Total ASF (1+4+7+10)**					54595.51					53371.96
		RSF Item					RSF Item				
14	Total NSFR highquality liquid assets (HQLA)					761.82					630.83
15	Deposits held at other financial institutions for operational purposes										
16	**Performing loans and securities: (17+18+19+21+23)**		**16703.24**	**13042.26**	**16720.99**	**27055.89**		**14522.30**	**14151.31**	**15524.24**	**25716.63**
17	Performing loans to financial institutions secured by Level 1 HQLA										
18	Performing loans to financial institutions secured by nonLevel 1 HQLA and unsecured performing loans to financial institutions		708.74	65.64	1531.06	139.13		1066.85	52.34	1124.87	186.20
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:		15921.92	12902.10	13005.42	25245.27		13370.17	14025.32	12476.14	24059.65
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		42.95	24.58	1106.73	719.37		142.13	50.83	1214.03	789.12
21	Performing residential mortgages, of which:		72.58	74.52	2184.51	1671.48		85.27	73.65	1923.23	1470.78
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0.47	2.37	1294.48	841.41		1.58	3.46	1217.15	791.15
23	Securities that are not in default and do not qualify as HQLA, including exchange traded equities										
24	**Other assets: (sum of rows 25 to 29)**	**6755.23**				**7180.22**	**8457.54**				**9648.28**
25	Physical traded commodities, including gold										
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	1974.67				1678.47	2027.90				1723.72
27	NSFR derivative assets	13.35				13.35	24.51				24.51
28	NSFR derivative liabilities before deduction of variation margin posted	14.91				0.75	19.63				0.98
29	All other assets not included in the above categories	4752.30	457.80	28.72	452.99	5487.65	6385.50	1962.40	69.59	473.51	7899.07
30	Offbalance sheet items	6937.16				334.00	6839.46				329.43
31	Total RSF					35331.93					36325.17
32	Net Stable Funding Ratio (%)					**154.52%**					**146.93%**