

**NET STABLE FUNDING RATIO (NSFR) DISCLOSURE FOR QUARTER
ENDING 30TH SEPTEMBER 2024**

QUALITATIVE DISCLOSURE

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

RBI issued the regulations on the implementation of the Net Stable Funding Ratio in May 2018 with minimum requirement of equal to at least 100%. The implementation is effective from 1st October, 2021. NSFR is applicable to Bank's individual operations as well as group operations and computed at standalone and consolidated level. The entities included while computing consolidated NSFR are Canara Bank Solo (Domestic & Overseas Operation) & Canara Bank (Tanzania) Limited.

Available Stable Funding (ASF) is defined as the portion of total regulatory capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year, which is determined by various factor weights according to the nature and maturity of liabilities with liabilities having maturity of 1 year or more receiving 100% weight.

Required Stable Funding (RSF) is defined as the portion of on balance sheet and off-balance sheet exposures which is required to be funded on an ongoing basis. The amount of such stable funding required is a function of the liquidity characteristics and residual maturities of the various assets held.

KEY DRIVERS

The main drivers of the Available Stable Funding (ASF) are the capital base, retail deposit base, and funding from non-financial companies and long-term funding from institutional clients. The capital base formed around 12.11%, retail deposits (including deposits from small sized business customers) formed 65.41% and wholesale funding formed 22.48% of the total Available Stable Funding, after applying the relevant weights.

The Stable Funding required for performing loans and securities constituted 73.05% of the total RSF after applying the relevant weights. The stock of High-Quality Liquid Assets which majorly includes cash and reserve balances with the RBI, government debt issuances attracted no or low amount of stable funding due to their high quality and liquid characteristic. Accordingly, Stable Funding required for the HQLA constituted only 1.86% of the total RSF after applying the relevant weights. Other assets and Contingent funding obligations, such as committed credit facilities, guarantees and letters of credit constituted 23.81% of the Required Stable Funding.

NSFR OF THE BANK

Bank has maintained NSFR well above the minimum regulatory level on an ongoing basis. Historical trend of Consolidated NSFR of the Bank is as follows:

Quarter Ended	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
NSFR (Consolidated)	135.31%	143.02%	136.52%	121.05%	123.06%	123.09%	137.38%	133.76%	131.62%

Bank's NSFR at consolidated level comes to 131.62% as at the end of the quarter Q2 (FY 2024-25) and the same is above the minimum regulatory requirement of 100%. The Available Stable Funding (ASF) as on 30th September 2024 stood at Rs. 10,84,733 crores and amount of Required Stable Funding (RSF) as on 30th September 2024 was Rs. 8,24,166 crores.

QUANTITATIVE DISCLOSURE

NSFR Disclosure Template										
(Rs.in Crore)	Q2 FY24-25									
	Solo					Consolidated				
	Unweighted value by residual maturity				Weighted Value	Unweighted value by residual maturity				Weighted Value
	No Maturity	< 6 Months	6 Months to <1yr	>=1yr		No Maturity	< 6 Months	6 Months to <1yr	>=1yr	
ASF Item										
1 Capital: (2+3)	98,679	-	-	32,489	1,31,168	98,679	-	-	32,635	1,31,313
2 Regulatory capital	98,679	-	-	27,569	1,26,248	98,679	-	-	27,715	1,26,393
3 Other capital instruments	-	-	-	4,920	4,920	-	-	-	4,920	4,920
4 Retail deposits and deposits from small business customers: (5+6)	3,08,491	1,57,673	1,49,439	1,49,289	7,09,522	3,08,491	1,57,673	1,49,439	1,49,289	7,09,522
5 Stable deposits	85,383	17,219	21,183	22,364	1,39,960	85,383	17,219	21,183	22,364	1,39,960
6 Less stable deposits	2,23,107	1,40,454	1,28,257	1,26,925	5,69,562	2,23,107	1,40,454	1,28,257	1,26,925	5,69,562
7 Wholesale funding: (8+9)	60,308	1,33,205	1,40,350	76,966	2,43,898	60,308	1,33,205	1,40,350	76,966	2,43,898
8 Operational deposits	-	-	-	-	-	-	-	-	-	-
9 Other wholesale funding	60,308	1,33,205	1,40,350	76,966	2,43,898	60,308	1,33,205	1,40,350	76,966	2,43,898
10 Other liabilities: (11+12)	42,446	2,07,051	14,995	3,918	-	42,446	2,07,220	14,995	3,918	-
11 NSFR derivative liabilities	-	-	-	-	-	-	-	-	-	-
12 All other liabilities and equity not included in the above categories	42,446	2,07,051	14,995	3,918	-	42,446	2,07,220	14,995	3,918	-
13 Total ASF (1+4+7+10)					10,84,587					10,84,733

(Rs.in Crore)	Q2 FY24-25									
	Solo					Consolidated				
	Unweighted value by residual maturity				Weighted Value	Unweighted value by residual maturity				Weighted Value
	No Maturity	< 6 Months	6 Months to <1yr	>=1yr		No Maturity	< 6 Months	6 Months to <1yr	>=1yr	
RSF Item										
14	Total NSFR high-quality liquid assets (HQLA)				15,343					15,349
15	-	-	-	-	-	-	7	-	-	3
16	1,210	3,03,582	1,98,388	4,85,918	6,01,993	1,210	3,03,704	1,98,389	4,85,918	6,02,029
17	Performing loans and securities: (17+18+19+21+23)									
17	Performing loans to financial institutions secured by Level 1 HQLA									
17	-	-	-	-	-	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions									
18	-	76,829	17,024	-	20,036	-	76,904	17,024	-	20,048
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:									
19	-	2,26,753	1,81,364	4,45,445	5,49,623	-	2,26,800	1,81,365	4,45,445	5,49,648
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk									
20	-	-	-	1,65,314	1,07,454	-	-	-	1,65,314	1,07,454
21	Performing residential mortgages, of which:									
21	-	-	-	15,483	10,064	-	-	-	15,483	10,064
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk									
22	-	-	-	15,483	10,064	-	-	-	15,483	10,064
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities									
23	1,210	-	-	24,989	22,269	1,210	-	-	24,989	22,269
24	Other assets: (sum of rows 25 to 29)									
24	83,516	26,609	6,171	4,69,907	1,96,231	83,544	26,679	6,172	4,69,998	1,96,268
25	Physical traded commodities, including gold									
25	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs									
26	-	249	-	874	955	-	249	-	874	955
27	NSFR derivative assets									
27	-	2	-	-	2	-	2	-	-	2
28	NSFR derivative liabilities before deduction of variation margin posted									
28	-	33	-	-	33	-	33	-	-	33
29	All other assets not included in the above categories									
29	83,516	26,325	6,171	4,69,033	1,95,242	83,544	26,396	6,172	4,69,124	1,95,278
30	Off-balance sheet items									
30	-	-	2,40,569	-	10,517	-	-	2,40,569	-	10,517
31	Total RSF (14+15+16+24+30)				8,24,084					8,24,166
32	Net Stable Funding Ratio (%)				131.61%					131.62%

Divisional Manager

Chartered Accountant