

NET STABLE FUNDING RATIO (NSFR) DISCLOSURE FOR QUARTER ENDING 31-MARCH-2023

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. RBI has mandated the management of NSFR for individual as well as group Bank operations. Accordingly, Bank is disclosing the NSFR at solo and consolidated level. The entities included while computing consolidated NSFR are Canara Bank Solo (Domestic & overseas operation) and Canara Bank (Tanzania) Limited.

Available Stable Funding (ASF) is defined as the portion of total regulatory capital and liabilities expected to be reliable 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 requires 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 10.49%, retail deposits (including deposits from small sized business customers) formed 63.33% and wholesale funding formed 21.25% of the total Available Stable Funding, after applying the relevant weights.

The Stable Funding primarily required for performing loans and securities constituted 29.88% 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, the NSFR HQLA constituted 1.95% of the Required Stable Funding after applying the relevant weights. Other assets and Contingent funding obligations, such as committed credit facilities, guarantees and letters of credit constituted 67.07% of the Required Stable Funding.

NSFR of the Bank

Bank's NSFR at consolidated level comes to 136.52% as at the end of the quarter Q4 (FY 2022-23) and the same is above the minimum regulatory requirement of 100%. As on 31st March 2023, Available Stable Funding (ASF) was Rs. 10,20,384 crores and amount for Required Stable Funding (RSF) was Rs. 7,47,427 crores.

QUANTITATIVE DISCLOSURE:

(Rs.in Crore)		Q1 FY22-23									
		Solo					Consolidated				
		Unweighted value by residual maturity					Unweighted value by residual maturity				
		No Maturity	< 6 Months	6 Months to <1yr	>=1yr	Weighted Value	No Maturity	< 6 Months	6 Months to <1yr	>=1yr	Weighted Value
ASF Item											
1	Capital: (2+3)	61,371	450	-	24,736	86,557	61,371	450	-	25,012	86,833
2	Regulatory capital	61,371	450	-	19,186	81,007	61,371	450	-	19,462	81,283
3	Other capital instruments	-	-	-	5,550	5,550	-	-	-	5,550	5,550
4	Retail deposits and deposits from small business customers: (5+6)	3,02,699	1,22,340	1,24,606	1,03,668	6,02,359	3,03,203	1,22,448	1,24,673	1,03,668	6,02,996
5	Stable deposits	50,110	15,196	14,913	11,921	88,129	50,614	15,196	14,917	11,921	88,611
6	Less stable deposits	2,52,589	1,07,144	1,09,692	91,747	5,14,230	2,52,589	1,07,252	1,09,757	91,747	5,14,385
7	Wholesale funding: (8+9)	1,20,114	1,83,364	1,35,039	61,681	2,31,278	1,20,114	1,83,439	1,35,039	61,708	2,31,342
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	1,20,114	1,83,364	1,35,039	61,681	2,31,278	1,20,114	1,83,439	1,35,039	61,708	2,31,342
10	Other liabilities: (11+12)	3,417	41,023	21,800	7,391	59,631	3,417	41,030	21,800	7,432	59,631
11	NSFR derivative liabilities	-	96	-	-	-	-	96	-	-	-
12	All other liabilities and equity not included in the above categories	3,417	40,927	21,800	7,391	59,631	3,417	40,933	21,800	7,432	59,631
13	Total ASF (1+4+7+10)					9,79,826					9,80,802
RSF Item											
14	Total NSFR high-quality liquid assets (HQLA)					13,709					13,719
15	Deposits held at other financial institutions for operational purposes	1,319	13	-	-	666	1,374	18	-	-	696
16	Performing loans and securities: (17+18+19+21+23)	1,358	48,582	-	2,13,142	1,73,793	1,358	48,700	-	2,13,142	1,73,810
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	13	-	-	1

(Rs.in Crore)		Q1 FY22-23									
		Solo					Consolidated				
		Unweighted value by residual maturity					Unweighted value by residual maturity				
		No Maturity	< 6 Months	6 Months to <1yr	>=1yr	Weighted Value	No Maturity	< 6 Months	6 Months to <1yr	>=1yr	Weighted Value
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	48,582	-	-	7,287	-	48,687	-	-	7,303
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:	-	-	-	1,69,379	1,36,385	-	-	-	1,69,379	1,36,385
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	1,69,379	1,36,385	-	-	-	1,69,379	1,36,385
21	Performing residential mortgages, of which:	-	-	-	41,163	26,756	-	-	-	41,163	26,756
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	41,163	26,756	-	-	-	41,163	26,756
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1,358	-	-	2,601	3,365	1,358	-	-	2,601	3,365
24	Other assets: (sum of rows 25 to 29)	6,398	2,33,617	1,24,543	2,75,673	5,08,923	6,398	2,33,622	1,24,549	2,75,845	5,09,089
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	301	-	4,015	3,669	-	301	-	4,015	3,669
27	NSFR derivative assets	-	-	-	-	-	-	-	-	-	-
28	NSFR derivative liabilities before deduction of variation margin posted	-	42	5	-	47	-	42	5	-	47
29	All other assets not included in the above categories	6,398	2,33,274	1,24,538	2,71,658	5,05,207	6,398	2,33,278	1,24,544	2,71,830	5,05,373
30	Off-balance sheet items	-	-	1,58,003	-	6,541	-	-	1,58,003	-	6,541
31	Total RSF (14+15+16+24+30)					7,03,632					7,03,855
32	Net Stable Funding Ratio (%)					139.25%					139.35%

(Rs.in Crore)	Q2 FY22-23									
	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)	65,812	-	-	30,736	96,548	65,812	-	-	31,028	96,841
2 Regulatory capital	65,812	-	-	24,986	90,798	65,812	-	-	25,278	91,091
3 Other capital instruments	-	-	-	5,750	5,750	-	-	-	5,750	5,750
4 Retail deposits and deposits from small business customers: (5+6)	3,10,619	1,28,368	1,23,369	1,11,261	6,21,550	3,11,935	1,28,541	1,23,435	1,11,261	6,23,018
5 Stable deposits	52,622	16,069	14,681	12,913	92,116	53,938	16,128	14,690	12,913	93,432
6 Less stable deposits	2,57,997	1,12,299	1,08,689	98,347	5,29,433	2,57,997	1,12,413	1,08,745	98,347	5,29,586
7 Wholesale funding: (8+9)	1,19,333	1,69,177	1,49,522	60,727	2,30,472	1,19,333	1,69,217	1,49,522	60,752	2,30,518
8 Operational deposits	-	-	-	-	-	-	-	-	-	-
9 Other wholesale funding	1,19,333	1,69,177	1,49,522	60,727	2,30,472	1,19,333	1,69,217	1,49,522	60,752	2,30,518
10 Other liabilities: (11+12)	2,904	18,522	6,699	11,372	33,540	2,904	18,530	6,699	11,409	33,540
11 NSFR derivative liabilities		8	-	-			8	-	-	
12 All other liabilities and equity not included in the above categories	2,904	18,514	6,699	11,372	33,540	2,904	18,521	6,699	11,409	33,540
13 Total ASF (1+4+7+10)					9,82,110					9,83,916
RSF Item										
14 Total NSFR high-quality liquid assets (HQLA)					14,552					14,562
15 Deposits held at other financial institutions for operational purposes	599	27	-	-	313	643	34	-	-	339
16 Performing loans and securities: (17+18+19+21+23)	1,783	43,547	985.42	2,18,263	1,77,157	1,783	43,593	985.42	2,18,263	1,77,163
17 Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	15	-	-	28
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	42,671	-	-	6,401	-	42,703	-	-	6,405
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:	-	-	-	1,69,727	1,35,410	-	-	-	1,69,727	1,35,410
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	1,69,727	1,35,410	-	-	-	1,69,727	1,35,410
21 Performing residential mortgages, of which:	-	-	-	45,030	29,270	-	-	-	45,030	29,270
22 With a risk weight of less than or equal to	-	-	-	45,030	29,270	-	-	-	45,030	29,270

(Rs.in Crore)		Q2 FY22-23									
		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	
	35% under the Basel II Standardised Approach for credit risk										
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1,783	875	985	3,505	6,077	1,783	875	985	3,505	6,077
24	Other assets: (sum of rows 25 to 29)	4,004	2,44,636	1,41,920	2,74,107	5,27,776	4,004	2,44,656	1,41,930	2,74,291	5,27,960
25	Physical traded commodities, including gold	0				-	-				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		187	-	1,481	1,418		187	-	1,481	1,418
27	NSFR derivative assets		-	-	-	-		-	-	-	-
28	NSFR derivative liabilities before deduction of variation margin posted		4	28	-	32		4	28	-	32
29	All other assets not included in the above categories	4,004	2,44,445	1,41,891	2,72,626	5,26,326	4,004	2,44,465	1,41,902	2,72,810	5,26,509
30	Off-balance sheet items		-	1,69,617	-	7,129		-	1,69,617	-	7,129
31	Total RSF (14+15+16+24+30)					7,26,926					7,27,152
32	Net Stable Funding Ratio (%)					135.10%					135.31%

(Rs.in Crore)		Q3 FY22-23									
		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)	68,489	-	-	30,736	99,225	68,489	-	-	31,011	99,500
2	Regulatory capital	68,489	-	-	24,686	93,175	68,489	-	-	24,961	93,450
3	Other capital instruments	-	-	-	6,050	6,050	-	-	-	6,050	6,050
4	Retail deposits and deposits from small business customers: (5+6)	3,04,974	1,24,207	99,133	1,65,483	6,45,010	3,06,759	1,24,408	99,203	1,65,483	6,46,954
5	Stable deposits	53,113	15,394	12,391	18,347	95,200	54,897	15,481	12,402	18,347	96,988
6	Less stable deposits	2,51,861	1,08,813	86,741	1,47,136	5,49,810	2,51,861	1,08,927	86,801	1,47,136	5,49,966
7	Wholesale funding: (8+9)	70,634	2,38,905	1,27,772	67,106	2,33,324	70,634	2,38,940	1,27,772	67,137	2,33,372
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	70,634	2,38,905	1,27,772	67,106	2,33,324	70,634	2,38,940	1,27,772	67,137	2,33,372
10	Other liabilities: (11+12)	42,096	9,010	7,047	21,953	58,741	42,096	9,016	7,047	21,976	58,741
11	NSFR derivative liabilities		979	-	-	-		979	-	-	-

12	All other liabilities and equity not included in the above categories	42,096	8,030	7,047	21,953	58,741	42,096	8,037	7,047	21,976	58,741
13	Total ASF (1+4+7+10)					10,36,300					10,38,567
	RSF Item										
14	Total NSFR high-quality liquid assets (HQLA)					14,098					14,109
15	Deposits held at other financial institutions for operational purposes	80	4	-	-	42	136	6	-	-	71
16	Performing loans and securities: (17+18+19+21+23)	1,772	55,503	-	2,59,226	2,10,201	1,772	55,533	-	2,59,226	2,10,205
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	6	-	-	1
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	55,503	-	-	8,325	-	55,527	-	-	8,329
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:	-	-	-	1,86,866	1,48,882	-	-	-	1,86,866	1,48,882
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	1,86,866	1,48,882	-	-	-	1,86,866	1,48,882
21	Performing residential mortgages, of which:	-	-	-	50,090	32,559	-	-	-	50,090	32,559
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	50,090	32,559	-	-	-	50,090	32,559
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1,772	-	-	22,270	20,435	1,772	-	-	22,270	20,435
24	Other assets: (sum of rows 25 to 29)	5,074	2,58,617	1,54,327	2,21,582	4,93,666	5,074	2,58,635	1,54,333	2,21,769	4,93,852
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	271	-	5,566	4,962	-	271	-	5,566	4,962
27	NSFR derivative assets	-	-	-	-	-	-	-	-	-	-
28	NSFR derivative liabilities before deduction of variation margin posted	-	7	29	-	35	-	7	29	-	35
29	All other assets not included in the above categories	5,074	2,58,339	1,54,298	2,16,016	4,88,669	5,074	2,58,357	1,54,304	2,16,202	4,88,855
30	Off-balance sheet items	-	-	1,85,716	-	7,918	-	-	1,85,716	-	7,918
31	Total RSF (14+15+16+24+30)					7,25,926					7,26,155
32	Net Stable Funding Ratio (%)					142.76%					143.02%

(Rs.in Crore)		Q4 FY22-23									
		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)	78,685	0	0	28,236	1,06,921	78,685	0	0	28,380	1,07,065
2	Regulatory capital	78,685	0	0	23,626	1,02,311	78,685	0	0	23,770	1,02,455
3	Other capital instruments	0	0	0	4,610	4,610	0	0	0	4,610	4,610
4	Retail deposits and deposits from small business customers: (5+6)	3,09,312	1,13,723	93,928	1,76,893	6,46,045	3,09,312	1,13,815	94,016	1,76,904	6,46,217
5	Stable deposits	53,178	13,202	11,324	17,352	91,171	53,178	13,202	11,324	17,352	91,171
6	Less stable deposits	2,56,134	1,00,521	82,604	1,59,541	5,54,874	2,56,134	1,00,614	82,692	1,59,552	5,55,047
7	Wholesale funding: (8+9)	1,20,625	1,73,569	43,572	47,912	2,16,795	1,20,625	1,73,610	43,572	47,912	2,16,816
8	Operational deposits	0	0	0	0	0	0	0	0	0	0
9	Other wholesale funding	1,20,625	1,73,569	43,572	47,912	2,16,795	1,20,625	1,73,610	43,572	47,912	2,16,816
10	Other liabilities: (11+12)	53,686	37,298	49,869	26,789	50,286	53,686	37,307	49,869	26,790	50,286
11	NSFR derivative liabilities		0	0	0			0	0	0	
12	All other liabilities and equity not included in the above categories	53,686	37,298	49,869	26,789	50,286	53,686	37,307	49,869	26,790	50,286
13	Total ASF (1+4+7+10)					10,20,047					10,20,384
RSF Item											
14	Total NSFR high-quality liquid assets (HQLA)					14,556					14,563
15	Deposits held at other financial institutions for operational purposes	0	0	0	0	0	0	0	0	0	0
16	Performing loans and securities: (17+18+19+21+23)	1,079	54,365	0	2,79,291	2,23,298	1,079	54,402	0	2,79,291	2,23,302
17	Performing loans to financial institutions secured by Level 1 HQLA	0	669	0	0	66	0	692	0	0	69
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	53,696	0	0	8,054	0	53,710	0	0	8,056
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:	0	0	0	2,06,940	1,63,085	0	0	0	2,06,940	1,63,085
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	2,06,940	1,63,085	0	0	0	2,06,940	1,63,085

21	Performing residential mortgages, of which:	0	0	0	51,621	33,554	0	0	0	51,621	33,554
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	51,621	33,554	0	0	0	51,621	33,554
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1,079	0	0	20,730	18,538	1,079	0	0	20,730	18,538
24	Other assets: (sum of rows 25 to 29)	4,827	2,62,749	1,37,018	2,34,829	5,01,151	4,827	2,62,787	1,37,018	2,34,985	5,01,328
25	Physical traded commodities, including gold	0				0	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		266	0	4,344	3,919		266	0	4,344	3,919
27	NSFR derivative assets		26	0	0	26		26	0	0	26
28	NSFR derivative liabilities before deduction of variation margin posted		10,148	17	0	10,165		10,148	17	0	10,165
29	All other assets not included in the above categories	4,827	2,52,309	1,37,000	2,30,485	4,87,041	4,827	2,52,347	1,37,000	2,30,641	4,87,218
30	Off-balance sheet items		0	1,92,661	0	8,233		0	1,92,661	0	8,233
31	Total RSF (14+15+16+24+30)					7,47,238					7,47,427
32	Net Stable Funding Ratio (%)					136.51%					136.52%

Net Stable Funding Ratio (NSFR) has been calculated as per extant guidelines issued by RBI in subject matter.

Divisional Manager

Chartered Accountant