

### Net Stable Funding Ratio (NSFR)

The Basel Committee on Banking Supervision (BCBS) had introduced the Net Stable Funding Ratio (NSFR) in order to ensure resilience over a longer-term time horizon by requiring banks to fund their activities with more stable sources of funding. NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. “Available stable funding” (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required stable funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures. The Bank is required to maintain the NSFR on an ongoing basis on a standalone Bank and on a Group Level. The minimum NSFR requirement set out in the RBI guideline for the Bank effective October 1, 2021 is 100%.

The following table sets out the unweighted and weighted value of the NSFR components of Bandhan Bank for FY 2024-25 (i.e. quarter-end observation).

Amount in Cr.

Net Stable Funding Ratio (NSFR) as on 31 <sup>st</sup> March 2025						
Available Stable Funding (March '2025)						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	24363.36	0	0	0	24363.36
2	Regulatory capital	24363.36	0	0	0	24363.36
3	Other capital instruments	0	0	0	0	0

4	Retail deposits and deposits from small business customers: (5+6)	35102.23	17641.06	19408.82	14741.03	78813.54
5	Stable deposits	7335.18	1248.42	1200.34	1684	10930.86
6	Less stable deposits	27767.05	16392.64	18208.48	13057.03	67882.68
7	Wholesale funding: (8+9)	8941.87	7271.9	13310.51	3760.54	18366.68
8	Operational deposits	0	0	0	0	0
9	Other wholesale funding	8941.87	7271.9	13310.51	3760.54	18366.68
10	Other liabilities: (11+12)	2618.84	21161.26	20873.27	1632.77	10431.52
11	NSFR derivative liabilities	0	0	0	0	0
12	All other liabilities and equity not included in the above categories	2618.84	21161.26	20873.27	1632.77	10431.52
13	Total ASF (1+4+7+10)	71026.3	46074.22	53592.6	20134.34	<b>131975.10</b>
<b>Required Stable Funding (March '2025)</b>						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
14	Total NSFR high-quality liquid assets (HQLA)					1834.4
15	Deposits held at other financial institutions for operational purposes	0	320.98	0	0	160.49
16	Performing loans and securities: (17+18+19+21+23)	884.88	37307.04	23619.84	71899.3	86468.83
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0

18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	3638.02	2655.96	9312.82	11186.5
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:	126.86	31751.37	19876.12	40475.13	58715.47
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	1590.98	939.62	7153.05	5913.92
21	Performing residential mortgages, of which:	0	534.03	378.47	21910.48	14698.06
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	363.54	378.47	21956.69	14635.92
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	758.02	1383.62	709.28	200.87	1868.8
24	Other assets: (sum of rows 25 to 29)	5646.65	2046.32	651.36	4934.89	11821.85
25	Physical traded commodities, including gold	0	0	0	0	0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	0	40.69	41.03	393.96	404.32
27	NSFR derivative assets	0.32	0	0	0	0.32

28	NSFR derivative liabilities before deduction of variation margin posted	0	0	0	0	0
29	All other assets not included in the above categories	5646.33	2005.62	610.33	4540.93	11417.2
30	Off-balance sheet items	0	9330.95	0	0	417.01
<b>31</b>	<b>Total RSF (14+15+16+24+30)</b>	<b>13383.13</b>	<b>86319.05</b>	<b>24271.2</b>	<b>76834.18</b>	<b>100702.58</b>
32	Net Stable Funding Ratio (%)					<b>131.05%</b>

Amount in Cr.

Net Stable Funding Ratio (NSFR) as on 31 <sup>st</sup> December 2024						
Available Stable Funding (December '2024)						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	21489.05	0	0	0	21489.05
2	Regulatory capital	21489.05	0	0	0	21489.05
3	Other capital instruments	0	0	0	0	0
4	Retail deposits and deposits from small business customers: (5+6)	33663.88	16387.8	18505.35	12809.61	73811.66
5	Stable deposits	7179	1193.1	1206.01	1462.53	10518.26
6	Less stable deposits	26484.87	15194.7	17299.34	11347.08	63293.4
7	Wholesale funding: (8+9)	8901.16	13305.67	7782.22	2959.03	17815.76
8	Operational deposits	0	0	0	0	0
9	Other wholesale funding	8901.16	13305.67	7782.22	2959.03	17815.76
10	Other liabilities: (11+12)	1937.92	28561.27	15911.86	1699.57	7948.46
11	NSFR derivative liabilities	0	0	0	0	0

12	All other liabilities and equity not included in the above categories	1937.92	28561.27	15911.86	1699.57	7948.46
13	<b>Total ASF (1+4+7+10)</b>	<b>65992.01</b>	<b>58254.74</b>	<b>42199.43</b>	<b>17468.21</b>	<b>121064.92</b>
<b>Required Stable Funding (December '2024)</b>						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
14	Total NSFR high-quality liquid assets (HQLA)					1759.07
15	Deposits held at other financial institutions for operational purposes	0	589.55	0	0	294.77
16	Performing loans and securities: (17+18+19+21+23)	243.37	36552.17	23074.59	68243.47	82902.23
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	5707.85	3060.25	11348.9	13719.64
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:	138.31	30804	19988.94	56519.88	68733.89
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	728.61	596.46	22853.15	15510.08

21	Performing residential mortgages, of which:	0	0	0	0	0
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	0	0
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	105.06	40.32	25.4	374.69	448.7
24	Other assets: (sum of rows 25 to 29)	4072.92	1906.94	550.13	6123.9	12283.06
25	Physical traded commodities, including gold	0	0	0	0	0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				664.67	564.97
27	NSFR derivative assets	0.31	0	0	0	0.31
28	NSFR derivative liabilities before deduction of variation margin posted	0	0	0	0	0
29	All other assets not included in the above categories	4072.61	1831.56	543.71	5541.03	11705.51
30	Off-balance sheet items		8450.05			369.29
31	<b>Total RSF (14+15+16+24+30)</b>	<b>10304.8</b>	<b>84067.54</b>	<b>23624.71</b>	<b>74367.37</b>	<b>97596.15</b>
32	<b>Net Stable Funding Ratio (%)</b>					<b>124.05%</b>

Amount in Cr.

Net Stable Funding Ratio (NSFR) as on 30 September 2024						
Available Stable Funding (September '2024)						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	21364.97	0	0	0	21364.97
2	Regulatory capital	21364.97	0	0	0	21364.97
3	Other capital instruments	0	0	0	0	0
4	Retail deposits and deposits from small business customers: (5+6)	34461.82	16818.24	18179.09	10206.8	72287.52
5	Stable deposits	7619.57	1166.95	1314.81	1220.75	10778.03
6	Less stable deposits	26842.25	15651.29	16864.29	8986.05	61509.49
7	Wholesale funding: (8+9)	10978.53	14388.78	5782.92	2483.35	17926.51
8	Operational deposits	0	0	0	0	0
9	Other wholesale funding	10978.53	14388.78	5782.92	2483.35	17926.51
10	Other liabilities: (11+12)	1572.02	30479.86	10693.96	2357.39	6682.08
11	NSFR derivative liabilities	0	0	0	0	0
12	All other liabilities and equity not included in the above categories	1572.02	30479.86	10693.96	2357.39	6682.08
13	<b>Total ASF (1+4+7+10)</b>	<b>68377.34</b>	<b>61686.88</b>	<b>34655.97</b>	<b>15047.55</b>	<b>118261.08</b>
Required Stable Funding (September '2024)						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	

14	Total NSFR high-quality liquid assets (HQLA)					1190.83
15	Deposits held at other financial institutions for operational purposes	471.78	0	0	0	235.89
16	Performing loans and securities: (17+18+19+21+23)	290.8	37068.64	23601.55	65641.43	82743.75
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	1.99	3439.31	2556.21	10416.74	12212.74
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:	180.29	33107.9	20654.65	36212.87	57532.78
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	117.11	124.56	743.95	604.39
21	Performing residential mortgages, of which:	0	498.19	365.66	18560.51	12496.25
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	352.38	365.66	18583.61	12434.9



23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	108.52	23.24	25.04	451.31	501.98
24	Other assets: (sum of rows 25 to 29)	5042.29	2415.14	381.96	5053.04	12329.71
25	Physical traded commodities, including gold	0	0	0	0	0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	0	33.78	40.22	581.85	568.57
27	NSFR derivative assets	0.24	0	0	0	0.24
28	NSFR derivative liabilities before deduction of variation margin posted	0	0	0	0	0
29	All other assets not included in the above categories	5042.05	2381.36	341.74	4471.2	11760.9
30	Off-balance sheet items	0	7760.34	0	0	346.32
<b>31</b>	<b>Total RSF (14+15+16+24+30)</b>	<b>11599.9</b>	<b>81250.18</b>	<b>23983.51</b>	<b>70694.47</b>	<b>96846.5</b>
<b>32</b>	<b>Net Stable Funding Ratio (%)</b>					<b>122.10%</b>

Amount in Cr.

Net Stable Funding Ratio (NSFR) as on 30 June 2024						
Available Stable Funding (June '2024)						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	21947.23	0	0	0	21947.23
2	Regulatory capital	21947.23	0	0	0	21947.23
3	Other capital instruments	0	0	0	0	0
4	Retail deposits and deposits from small business customers: (5+6)	33381.31	16841.37	16525.46	8511.48	68276.28
5	Stable deposits	8308.59	1436.23	1107.81	0	10310
6	Less stable deposits	25072.72	15405.14	15417.65	8511.48	57966.28
7	Wholesale funding: (8+9)	10034.67	10681.75	22164.86	3164.08	24604.72
8	Operational deposits	0	0	0	0	0
9	Other wholesale funding	10034.67	10681.75	22164.86	3164.08	24604.72
10	Other liabilities: (11+12)	9113.87	10037.54	8161.67	2728.57	0
11	NSFR derivative liabilities		0	0	0	0
12	All other liabilities and equity not included in the above categories	9113.87	10037.54	8161.67	2728.57	0
13	<b>Total ASF (1+4+7+10)</b>	<b>74477.07</b>	<b>37560.66</b>	<b>46851.99</b>	<b>14404.12</b>	<b>114828.23</b>
Required Stable Funding (June '2024)						
Particulars		Unweighted Values				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
14	Total NSFR high-quality liquid assets (HQLA)					1576.65

15	Deposits held at other financial institutions for operational purposes	780.63	0	0	0	390.31
16	Performing loans and securities: (17+18+19+21+23)	4968.11	32286.81	24968.36	65635.15	80220.41
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	2361.45	2568.15	0	1638.29
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:	4968.11	29411.46	21872.51	35062.79	56167.42
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	1122.69	774.55	1110.87	1670.69
21	Performing residential mortgages, of which:	0	513.89	527.71	29687.45	21662.51
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	354.22	363.74	20463.11	13660
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	0	0	0	884.91	752.18
24	Other assets: (sum of rows 25 to 29)	986.21	2642.22	1944.87	5152.93	10629.47

25	Physical traded commodities, including gold	0	0	0	0	0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				644.97	548.23
27	NSFR derivative assets	0	0	0	0	0
28	NSFR derivative liabilities before deduction of variation margin posted	0	0	0	0	0
29	All other assets not included in the above categories	986.21	2642.22	1944.87	4507.96	10081.24
30	Off-balance sheet items	8545.48				383.55
31	<b>Total RSF (14+15+16+24+30)</b>	<b>15280.42</b>	<b>34929.03</b>	<b>26913.23</b>	<b>70788.08</b>	<b>93200.39</b>
32	<b>Net Stable Funding Ratio (%)</b>					<b>123.21%</b>

The Bank maintained Available Stable Funding (ASF) of Rs 131975.10 crores as against the Required Stable Funding (RSF) of Rs 100702.58 crores as on 31<sup>st</sup> March 2025.

The Available Stable Funding (ASF) is primarily driven by driven by the total regulatory capital as per Basel III Capital Adequacy guidelines stipulated by RBI and deposits from retail customers, small business customers and non-financial corporate customers as well as refinance from NHB/NABARD/SIDBI. Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more, including performing residential mortgages.

The NSFR maintained by the bank is well above the regulatory stipulation of 100%. This indicates that the Banks assets are funded through stable liabilities and the Bank has the ability to withstand any stress in up to 1-year horizon.