



Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) is a significant component of the Basel III reforms. In the backdrop of the global financial crisis that started in 2007, the Basel Committee on Banking Supervision (BCBS) proposed certain reforms to strengthen global capital and liquidity regulations with the objective of promoting a more resilient banking sector. 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 relative to the amount of Required Stable Funding.

$$\text{NSFR} = \frac{\text{Available Stable Funding (ASF)}}{\text{Required Stable Funding (RSF)}} \geq 100\%$$

“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 such stable funding required (“Required stable funding”) 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.

As per the regulatory guidelines, banks are required to maintain the minimum NSFR of 100% on an ongoing basis. Bank’s NSFR is 118.92% as on 31st Dec 2025 which is above the minimum regulatory requirement.

The Net Stable Funding Ratio is computed through automated system. The data for ASF, RSF and OBS is extracted from CBS and results are validated from the balance sheet.

Quantitative Disclosure: The following table contains unweighted and weighted values of NSFR components of Shivalik Small Finance Bank as on 31st December 2025.

SHIVALIK SMALL FINANCE BANK LIMITED							
CIN NO. U65900DL2020PLC366027							
(Amounts in INR Crore)							
Particulars		Quarter December 31, 2025					Weighted Value
		No Maturity	less than 6 Months	6 Months to 1 year	More Than 1 year	Unweighted Value by residual maturity	
ASF Item							
1	Capital (2+3)	0.00	0.00	0.00	504.49	504.49	
2	Regulatory Capital	0.00	0.00	0.00	504.49	504.49	
3	Other Capital Instruments	0.00	0.00	0.00	0.00	0.00	
4	Retail deposits and deposits from small business customers:(5+6)	682.46	588.87	691.02	504.15	2255.84	
5	Stable Deposits	124.78	229.84	219.67	142.49	681.10	
6	Less Stable Deposits	557.68	359.04	471.34	361.66	1574.74	
7	Wholesale funding :(8+9)	94.85	810.93	371.00	75.48	294.68	
8	Operational Deposits	0.00	0.00	0.00	0.00	0.00	
9	Other Wholesale Funding	94.85	810.93	371.00	75.48	294.68	
10	Other Liabilities (11+12)	68.44	289.04	184.60	190.28	343.03	
11	NSFR Derivative liabilities	0.00	0.00	0.00	0.00	0.00	
12	All other liabilities and equity not included in the above categories	68.44	289.04	184.60	190.28	343.03	
13	Total ASF (1+4+7+10)	845.75	1688.84	1246.62	1274.39	3398.04	

RSF Items						
14	Total NSFR high quality liquid assets (HQLA)	105.60	143.08	30.17	647.62	41.04
15	Deposits held at other financial institutions for operational purposes	0.00	0.00	0.00	0.00	0.00
16	Performing loans and securities: (17+18+19+21+23)	19.73	702.49	793.28	2007.65	2406.65
17	Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	19.73	58.70	47.70	128.01	170.52
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:	0.00	635.65	737.11	1522.99	1978.12
20	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	0.00	6.97	5.14	14.02	15.17
21	Performing residential mortgages, of which:	0.00	8.14	8.47	356.65	258.00
22	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	0.00	6.42	6.63	267.27	180.25
23	Securities that are not in default and do not qualify as HQLA, including exchange traded equities	0.00	0.00	0.00	0.00	0.00
24	Other assets: (sum of rows 25 to 29)	256.22	32.82	15.21	90.98	395.24
25	Physically traded commodities, including gold	0.00	0.00	0.00	0.00	0.00
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	0.00	0.00	0.00	0.00	0.00
27	NSFR derivative assets	0.00	0.00	0.00	0.00	0.00
28	NSFR derivative liabilities before deduction margin posted	0.00	0.00	0.00	0.00	0.00
29	All other assets not included in the above categories	256.22	37.60	10.43	90.98	395.24
30	Off-balance sheet item	0.00	34.01	287.21	5.29	14.52
31	Total RSF (14+15+16+24+30)	381.55	917.19	1121.10	2751.54	2857.45
32	Net Stable Funding Ratio (%)	221.66%	184.13%	111.20%	46.32%	118.92%

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