

Public Disclosure on Liquidity Risk as on June 30th, 2023

Background

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019 vide circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20. As per the said guidelines, NBFC's are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosures on liquidity risk as at June 30th, 2023 are as under:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

| Number Significant Counterparties | Amount (Rs. in Lakhs) | % of Total Deposits | % of Total Liabilities |
|-----------------------------------|-----------------------|---------------------|------------------------|
| Not Applicable | Nil | Nil | Nil |

(ii) Top 20 large deposits: Not Applicable

(iii) Top 10 borrowings

| Amount (Rs. in Lakhs) | % of Total Borrowings |
|-----------------------|-----------------------|
| 472.29 | 4.93 |

(iv) Funding Concentration based on significant instrument/ product

| Name of the instrument/product | As at June, 2023 (Rs. In Lakhs) | % of Total Liabilities |
|------------------------------------|---------------------------------|------------------------|
| Secured Non-Convertible Debentures | 46.50 | 0.33 |
| Borrowings from Banks/FIs | 63.48 | 0.45 |
| Subordinated Debt | 9473.66 | 66.79 |
| Total | 9583.64 | 67.56 |

(v) Stock Ratios:

| Particulars | as a % of total public funds | as a % of total liabilities | as a % of total assets |
|--|------------------------------|-----------------------------|------------------------|
| Commercial Paper | Nil | Nil | Nil |
| Non-convertible debentures (original maturity of less than one year) | Nil | Nil | Nil |
| Other short-term liabilities | 16.38 | 13.57 | 11.07 |

* All Figures are provisional

(vi) Institutional set-up for Liquidity Risk Management

The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.

The ALM Committee of the Board of Directors shall be responsible for evaluating the liquidity risk.

The Asset-Liability Management Committee (ALCO) consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC. The Wholetime Director heads the Committee. The role of the ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.

The ALM Support Group headed by Chief Financial Officer and consisting of operating staff who will be responsible for analysing, monitoring and reporting the liquidity risk profile to the ALCO.
