



Public Disclosure on Liquidity Risk for the quarter ended 30th September 2023 pursuant to RBI circular dated 4th November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies

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

Number of Significant counter Parties	Amount in crores.	% of Total Deposit	% of Liabilities
NA			

ii) **Top 20 Large deposits**

Amount (In Cr.)	% of Total Deposits
14.23	52.07

iii) **Top 10 borrowings**

Amount (In Cr.)	% of Total Borrowings
3.23	3.15

iv) **Funding concentration based on significant instrument/Product**

A	Amount (In Cr.)	% of Total Liabilities
Public Deposits	25.50	93.34

v) **Stock ratios**

Name of the instrument / product	As a % of total public funds	Amount (In Cr.)	% of Total Liabilities
Commercial Paper	-	-	-
Non-Convertible debentures	-	-	-
Other Short-term liabilities	-	-	-

vi) **Institutional set-up for liquidity risk management:**

Board has setup the Asset Liability Management Committee (ALCO) and Risk Management Committee to manage various risks of the Company. ALCO meets on a regular basis and is responsible for ensuring adherence to the risk tolerance/limits set by the Board including the Liquidity risk of the Company. The Company has formulated a policy on Liquidity Risk Management Framework. The Company monitors cumulative mismatches across all time buckets by establishing internal prudential limits. The Company maintains adequate liquidity buffer of readily marketable assets, to protect itself against any liquidity risk at the same time is mindful of the cost associated with it.

**Notes:**

1 As per the circular issued by RBI on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies dated 04th Nov 2019, "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities and "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.

2. Total Liabilities represent 'Total Liabilities and Equity' as per Balance sheet less Equity.

3. Public funds are as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

4. Other Short term liabilities represent all Short-term borrowings other than CPs.

**Disclosure on Liquidity Coverage Ratio (LCR):**

As part of the Liquidity Risk Management Framework for NBFCs, RBI has mandated maintenance of Liquidity Coverage Ratio (LCR) effective 1st Dec 2020. The Company is required to maintain adequate unencumbered High Quality Liquid Asset (HQLA) to meet its liquidity needs for a 30 calendar-day time horizon under a significantly severe liquidity stress scenario. The objective of the LCR is to promote the short-term resilience of the liquidity risk profile. Presently, the Company is mandated to maintain a minimum LCR of 70%, effective December 01, 2022 progressively reaching up to the required level of 100% by December 1, 2024.

The LCR is calculated by dividing the company's stock of HQLA by its total net cash outflows over a 30-day stress period. "High-Quality Liquid Assets (HQLA)" means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. Total Net cash outflows is defined as total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days. The main drivers of LCR are adequate HQLAs and lower net cash outflow. The LCR for the quarter ended 30th September 2023 is 111.88% which is well above the regulatory requirement of 70%.

(Amount in Rs.)

LIQUIDITY COVERAGE RATIO - (FY 2023-24)		
Particulars	As at 30/09/2023	
	Average Un weighted Value	Average Weighted Value
<b>**Total High Quality Liquid Assets (HQLA)</b>		
<u>Cash outflows</u>		
Deposits	10,60,53,233	12,19,61,217.95
Secured Borrowings	17,30,53,613	19,90,11,654.95
Other contractual funding obligations	9,80,58,659	11,27,67,457.85
<b>Total Cash Outflows</b>	<b>37,71,65,505</b>	<b>43,37,40,331</b>
<u>Cash inflow</u>		
Inflows from Fully performing Exposures	31,83,77,145	23,87,82,859
Deposit	9,21,79,527	6,91,34,645
Other Cash inflows	1,05,84,203	79,38,152
<b>Total Cash inflows</b>	<b>42,11,40,875</b>	<b>31,58,55,656</b>
Total HQLA		13,18,83,713
Total Net Cash Outflows		11,78,84,675
Liquidity Coverage Ratio (LCR)		111.88

$$LCR = \text{Total HQLA} / \text{Total Net Cash Outflow}$$

Total Net cash outflow (-) indicates total inflow is more than the outflow

<b>**Components of High Quality Liquid Assets</b>	
Cash	2,89,227
Balance with Banks	10,28,97,847
Government Securities	2,86,96,638
	<b>13,18,83,713</b>