

Appendix 1

Public disclosure on liquidity risk

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

Sr. No.	No. of Significant Counterparties	Amount (Rs. In Cr)	% of Total Deposits	% of Total Liabilities
1.	15	1,37,376.91	NA	68.25%

(ii) Top 20 large deposits (amount in Rs. Crore and % of total deposits)

Not Applicable

(iii) Top 10 borrowings (amount in Rs. Crore and % of total borrowings)

Amount (Rs. In Cr)	% of Total Borrowings
1,23,684.00	63.13%

(iv) Funding concentration based on significant instrument / product

Sr. No.	Name of the instrument / product	Amount (Rs. In Cr)	% of Total Liabilities
1	Rupee Term Loans	1,02,759.91	51.05%
2	NCDs (including PDI & Sub Debt)	36,306.13	18.04%
3	CPs & ICDs	12,415.00	6.17%
4	ECB Loans	13,007.32	6.46%
5	Securitisation	29,351.22	14.58%
6	Rupee Denominated Bonds	400.00	0.20%
7	Compulsory Convertible Debentures	1,693.00	0.84%
TOTAL		1,95,932.58	97.34%

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets :

Commercial Papers as a % of total public funds	6.34%
Commercial Papers as a % of total liabilities	6.17%
Commercial Papers as a % of total assets	5.42%

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets –

Not Applicable. Non-convertible debentures of original maturity of less than one year have not been issued

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets:

Other Short-term liabilities as a % of total public funds	1.25%
Other Short-term liabilities as a % of total liabilities	1.22%
Other Short-term liabilities as a % of total assets	1.07%

(d)	Short term Liabilities to Long term assets	45.72%
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(e)	Long term assets to total assets	72.25%
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(vi) Institutional set-up for liquidity risk management:

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The Company also has lines of credit that it can access to meet liquidity needs. These are reviewed by the Asset Liability Committee (ALCO) on a monthly basis. The ALCO provides strategic direction and guidance on liquidity risk management. A sub-committee of the ALCO, comprising members from the Treasury and Risk functions, monitor liquidity risks on a weekly basis and decisions are taken on the funding plan and levels of investible surplus, from the ALM perspective. This sets the boundaries for daily cash flow management.

Notes:

- 1) A "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of NBFC-NDSI's total liabilities.
- 2) A "Significant Instrument / Product" is defined as a single instruments / products or group of similar instruments / products which in aggregate amount to more than 1% of the NBFC-NDSI's total liabilities.
- 3) Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.
- 4) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.
- 5) Commercial Paper for stock ratio is the Gross outstanding (i.e. Maturity amount).
- 6) Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial Paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.
- 7) Public Funds = Total Liabilities as computed above