

## LIQUIDITY COVERAGE RATIO

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

Sr. No.	Number of Significant Counterparties	Amount (Rs. in crores)*	% of Total deposits	% of Total liabilities
1	17	15,665.71	304.57%	65.61%

\*Includes securitisation liabilities exposure

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

Particulars	As at December 31, 2020
Total amount of top 20 large deposits	137.29
Percentage of amount of top 20 large deposits to total deposits	2.67%

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

Particulars	As at December 31, 2020
Total amount of top 10 borrowings *	12,382.03
Percentage of amount of top 10 borrowings to total borrowings	52.98%

\*Includes securitisation liabilities exposure

### (iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	Amount (Rs. in crores)	% of Total liabilities
1	Public Issue of Redeemable non-convertible debentures	849.65	3.56%
2	Privately placed Redeemable non-convertible debentures	2,103.30	8.81%
3	Term loan from banks	8,026.74	33.62%
4	Term loan from financial institutions/corporates	1,236.63	5.18%
5	Loans repayable on demand from banks (Cash credit from banks & Working capital demand Loan)	2,194.04	9.19%
6	Other loans - Securitisation liabilities	3,818.48	15.99%
7	Public deposits	5,143.58	21.54%

### (v) Stock Ratios:

	Particulars	as a % of Total public funds	as a % of Total liabilities	as a % of Total assets
(a)	Commercial papers	-	-	-
(b)	Non-convertible debentures (original maturity of less than one year)	-	-	-

(c)	Other short-term liabilities	9.19%	9.00%	6.76%
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**(vi) Institutional set-up for liquidity risk management**

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Audit and Risk Management Committee (ARMC) which is responsible for review of risk management systems and process of the Company.

The meetings of ARMC are held at quarterly interval.

The Chief Risk Officer is responsible for risk assessments and review of risk management process.

ALM Support Group consisting of Chief Financial Officer (“CFO”) ,Head of Finance/Fund Management Departments and others as may be nominated by the CFO, formed consisting of the operating staff are be responsible for funding and analyzing, monitoring and reporting the liquidity risk profile to the ALCO

The Board of Directors also approves constitution of Asset Liability Committee (ALCO), Asset Liability Management Committee (ALCO) reviews or monitors Asset Liability Management (ALM) mismatch. ALCO conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company in line with the Company's budget and decided risk management objectives. The ALCO is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. The ALCO also evaluates the Borrowing Plan of subsequent quarters on the basis of previous borrowings of the company. The ALCO will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM Support Groups consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. ALCO support group meets every fortnight.

In assessing the company's liquidity position, consideration is given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains liquid assets and / or a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitisation deals (direct assignment as well as pass through certificates) of its loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short-term bank deposits and / or investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The minutes of ALCO meetings are placed before the ARMC and the Board of Directors in its next meeting for its noting.

The liquidity buffer and SLR investments was Rs. 2,669.85 crores and Rs. 904.62 crores respectively.

**\*Notes:**

- 1) *Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.*
- 2) *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 NBFC-NDSI's, NBFC-Ds total liabilities, as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.*
- 3) *Total Liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).*
- 4) *Public funds are includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Non-Banking Financial Company Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.*
- 5) *The amount stated in this disclosure is based on the unaudited financial statements for the quarter and Nine months ended December 31, 2020.*

<b>Appendix I</b>			
<b>LCR Disclosure Template</b>			
Particulars		3 - Total Unweighted Value (average) (INR in crores)	4 - Total Weighted Value (average) (INR in crores)
<b>High Quality Liquid Assets</b>			
1	**Total High Quality Liquid Assets (HQLA)	3,678.36	3,393.54
<b>Cash Outflows</b>			
2	Deposits (for deposit taking companies)	98.31	113.06
3	Unsecured wholesale funding	-	-
4	Secured wholesale funding	558.74	642.55
5	Additional requirements, of which		-
(i)	<i>Outflows related to derivative exposures and other collateral requirements</i>	-	-
(ii)	<i>Outflows related to loss of funding on debt products</i>	-	-
(iii)	<i>Credit and liquidity facilities</i>	-	-
6	Other contractual funding obligations	249.59	287.03
7	Other contingent funding obligations	53.07	61.03
	<b>TOTAL CASH OUTFLOWS</b>	959.71	1,103.66
<b>Cash Inflows</b>			
9	Secured lending	1,576.41	1,182.31
10	Inflows from fully performing exposures	289.11	216.83
11	Other cash inflows	-	-
12	<b>TOTAL CASH INFLOWS</b>	1,865.52	1,399.14
			Total Adjusted value
13	<b>TOTAL HQLA</b>		3,393.54
14	<b>TOTAL NET CASH OUTFLOWS</b>		275.92
15	<b>LIQUIDITY COVERAGE RATIO (%)</b>		1230%

3 - Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

4 - Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

**Note: Investments in MFD has not been considered for computation**

<b>High Quality Liquid Assets</b>	<b>Amount in Crores</b>	<b>Post haircut in percentage</b>	<b>Weighted Amount post haircut</b>
Cash in Hand	46.92	100%	46.92
<b>Balance with Banks</b>			
Current account	1,261.72	100%	1,261.72
Bank Deposits - Scheduled Commercial Banks	1,361.21	100%	1,361.21
<b>45-IB</b>			
Bank Deposits SLR	204.07	80%	163.26
Government securities	85.45	80%	68.36
Treasury Bills	615.10	80%	492.08
Overseas Equity instruments - Ceylinco	99.66	0%	-
Mutual Fund - Shriram	4.24	0%	-
<b>Total HQLA</b>	<b>3,678.36</b>		<b>3,393.54</b>