Liquidity Coverage Ratio (LCR) Disclosure as per RBI Guidelines

Liquidity Coverage Ratio (LCR) based on Quarterly average as on 31st March 2025:

(Rs. in lakhs)

S. No.	Particulars	Total Unweighted Value (average)	Total Weighted Value (average)
HIGH QUALITY LIQUID ASSETS			
1	**Total High Quality Liquid Assets (HQLA)	**22,028.79**	**22,028.79**
	CASH OUTFLOWS		
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	310.40	356.96
4	Secured wholesale funding	19,942.02	22,933.32
5	Additional requirements, of which	-	-
(i)	*Outflows related to derivative exposures and other collateral requirements*	-	-
(ii)	*Outflows related to loss of funding on debt products*	-	-
(iii)	*Credit and liquidity facilities*	35,534.93	40,865.17
6	Other contractual funding obligations	5,733.33	6,593.33
7	Other contingent funding obligations	-	-
8	**TOTAL CASH OUTFLOWS**	**61,520.68**	**70,748.78**
CASH INFLOWS			
9	Secured lending	-	-
10	Inflows from fully performing exposures	33,483.80	25,112.85
11	Other cash inflows	1,09,470.74	82,103.06
12	**TOTAL CASH INFLOWS**	**1,42,954.54**	**1,07,215.91**
			Total Adjusted Value
13	TOTAL HQLA		22,028.79
14	TOTAL NET CASH OUTFLOWS		17,687.19
15	LIQUIDITY COVERAGE RATIO (%)		**124.55%**

****Component of HQLA**

(in lakhs)

S. No.	High Quality Liquid Assets (HQLA)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Assets to be included as HQLA without any Haircut	**22,028.79**	**22,028.79**
2	Assets to be considered For HQLA with a minimum haircut of 15%	-	-
3	Assets to be considered For HQLA with a minimum haircut of 50%	-	-

Qualitative Disclosure of LCR

RBI had issued guidelines on liquidity risk management for NBFCs/HFCs vide Circular No. RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 wherein RBI introduced Liquidity Coverage Ratio (LCR). The objective of the guidelines is to ensure that NBFCs/HFCs maintains a liquidity buffer in terms of LCR in addition to various process related aspects of liquidity risk management framework. LCR has to be maintained in the form of High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for subsequent 30 calendar days. LCR is one of the key parameters closely monitored by RBI to enable a more resilient financial sector. Further, RBI vide Circular No. RBI/2020-21/60 DOR. NBFC (HFC).CC. No.118/03.10.136/2020-21 dated October 22, 2020, provided non deposit taking HFCs with time extension for minimum LCR of 50% to be maintained by 1st December 2021 which is to be gradually increased to 100% by 1st December 2025. The LCR is expected to improve the ability of financial sector to absorb the shocks arising from financial and/or economic stress, thus reducing the risk of spill over from financial sector to real economy.

The liquidity risk management including LCR of the Company is governed by the Liquidity Risk Management (LRM) Policy approved by the board. The Asset Liability Committee (ALCO) is responsible for managing the LCR of the Company in line with the LRM Policy. Company regularly reviews the position of inflows, outflows and the liquidity buffers and ensures maintenance of sufficient quantum of High Quality Liquid Assets.

For computation of stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, stressed cash inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%. Finally, Net Cash Outflow is arrived by deducting the stressed cash inflows from stressed cash outflow. However, total net cash outflows will be subjected to a minimum of 25% of total stressed cash outflows. The LCR is computed by dividing the stock of HQLA by its total net stressed cash outflows over next 30 days

Cash outflow under secured wholesale funding majorly includes contractual obligations under Term loans, NHB Re-Finance, NCDs, Interest payable within next 30 days. Outflow under credit and liquidity facilities, the Company considers the expected cash outflow of the committed credit facilities contracted with the customers. Outflow under other contractual funding obligations primarily includes outflow on account of expected operating expenses and other dues. In Inflows from fully performing exposures, Company considers the collection from performing advances in next 30 days. Other Cash inflows includes investments in mutual funds, FDs which can be liquidate within 30 days including interest receivable thereon. Company has no meaningful currency mismatch in LCR and Company is not expecting any cash outflow within next 30 days on account of derivative exposure and potential collateral requirement. For concentration of funding sources refer disclosure on the Liquidity Risk Management Framework as above.

As on 31st March 2025 most of the HQLAs of the Company are in the form of unencumbered government securities and unencumbered Cash and Bank balances.

The Average LCR for the quarter ended March 31, 2025 was 124.5% as against 136.9% for the quarter ended December 31, 2024, which is well above present prescribed minimum requirement of 85%. The average HQLA for the quarter ended March 31, 2025 was Rs. 220.3 crore as against Rs. 209.7 crore for the quarter ended December 31, 2024. During the same period the composition of Government securities in the HQLA was 96.7% for the quarter ended March 31, 2025 as against 95.4% for the quarter ended December 31, 2024.