TVS CREDIT

Disclosure on Liquidity risk, as per RBI Circular:- DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4th November 2019.

(Amount Rs in Crs)

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

Particulars	As at 30th June 2022
Number of significant counter parties*	22
Amount (Rs. In Crore)	13,254.83
Percentage of funding concentration to total deposits	NA
Percentage of funding concentration to total liabilities**	88.27%

* Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

** Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

***(ii)* Top 20 large deposits (amount in ₹ crore and % of total deposits)** - NA

(iii) Top 10 borrowings (amount in ₹ crore and % of total borrowings)

Particulars	As at 30th June 2022
Total amount of top 10 borrowings	4,759.78
Percentage of amount of top 10 borrowings to total borrowings	33.43%

(iv) Funding Concentration based on significant instrument/product

Particulars	As at 30th June 2022	Percentage of total liabilities
Term Loans from Bank	6,938.82	46.21%
Working Capital Bank Line	2,029.00	13.51%
Commercial Paper	1,885.93	12.56%
External Commercial Borrowings	1,867.18	12.43%
Sub-ordinated debts	1,093.84	7.28%
NCD	325.00	2.16%

A "Significant instrument/product" is defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework 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 and 10% for other non-deposit taking NBFCs.

(v) Stock Ratios:

Particulars	As at 30th Jun 2022
(i) Commercial papers as a % of total public funds	13.24%
(ii) Commercial papers as a % of total liabilities	12.56%
(iii) Commercial papers as a % of total assets	11.12%
(iv) Non-convertible debentures (original maturity of less than one year) as a % of total public funds	2.28%
(v) Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	2.16%
(vi) Non-convertible debentures (original maturity of less than one year) as a % of total assets	1.92%
(vii) Other short- term Liabilities as a % of total public funds	36.39%
(vii) Other short- term Liabilities as a % of total liabilities	34.51%
(ix) Other short- term Liabilities as a % of total assets	30.54%

* Other Short-term Liabilities is computed as current maturities of long-term debt, short-term bank borrowings including outstanding CC/WCDL and other short-term liabilities has been considered, but excludes commercial paper and Non-convertible debentures (original maturity of less than one year).

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

(vi) Institutional set-up for liquidity risk management

The Company constituted an Asset Liability management committee as guideline issued by RBI to NBFCs. ALCO consists of members having requisite skill set and expertise of the business & sector of the Company. ALCO monitors asset liability mismatches to ensure that there are no excessive imbalances on either side of the balance sheet and also reviews Asset Liability Management strategy. ALCO also reviews the liquidity risk of the company at regular intervals. The company is maintaining adequate liquidity to manage its commitments.

The Company has taken various initiatives to raise funds at the cost commensurate with its rating by way of diversified funding mix with borrowings from Public sector banks, Private sector banks, Foreign Banks, Financial Institutions, ECB and Capital Markets. Besides, the company focused on increasing composition of fixed rate instruments with higher tenor in order to utilize benefit of the low interest environment.

(vii) Disclosure on Liquidity coverage ratios:

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of Rs 10,000 crore and above from December 1, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024, as per the time-line given below:

Appendix 1 (₹ in Crore)

Sl No	LCR Disclosure Template	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)
	High Quality Liquid Assets		
1	**Total High Quality Liquid Assets (HQLA)	677.18	677.18
	Cash Outflows		
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding **(iii)**	593.41	682.42
4	Secured wholesale funding **(iv)**	390.63	449.22
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	-	-
6	Other contractual funding obligations	243.41	279.92
7	Other contingent funding obligations	46.29	53.24
8	**TOTAL CASH OUTFLOWS**	**1,273.74**	**1,464.80**
	Cash Inflows		
9	Secured lending	974.71	731.03
10	Inflows from fully performing exposures	338.52	253.89
11	Other cash inflows	12.00	9.00
12	**TOTAL CASH INFLOWS**	**1,325.23**	**993.92**
			Total Adjusted Value
	TOTAL HQLA		**677.18**
	TOTAL NET CASH OUTFLOWS (Weighted value of Total Cash Outflows – Minimum of (Weighted value of Total Cash Inflows, 75% of Weighted value of Total Cash Outflows))		**470.88**
	LIQUIDITY COVERAGE RATIO (%)		**144%**

i) Unweighted values calculated as outstanding balances maturing within one month (for inflows and outflows).

ii) Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).

iii) Unsecured wholesale funding includes cash outflow on account of Commercial Paper and other unsecured borrowing repayments.

iv) Secured wholesale funding includes all Secured borrowing repayments.