

Public disclosure on liquidity risk of Indostar Capital Finance Limited (ICFL) as on December 31, 2020 in accordance with RBI circular No. 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 (NBFCs) including Core Investment Companies.

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

Sr. No.	Number of Significant Counterparties	Amount (Rs. crore) ¹	% of Total Deposits	% of Total Liabilities ²
1	20	4,845	N/A	81.35%

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

Not applicable, ICFL being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits.

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

Total Amount (Rs. crore) ¹	% of Total Borrowings ³
3,463	61.10%

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Nature of instrument	Amount (Rs. crore) ¹	% of Total Liabilities ²
1	Term Loan	2,876	48.30%
2	Non-Convertible Debentures	2,587	43.44%
3	Working Capital	181	3.04%
4	Commercial Paper	121	2.03%

Notes:

- 1 The amount stated in this disclosure is based on the un-audited financial statements as on December 31, 2020.
- 2 Total Liabilities does not include Net Worth
- 3 Amount of Securitization is excluded in total borrowing, total asset, total liabilities and public fund

(v) Stock Ratios:

Sr. No.	Particulars	Ratios
1	Commercial papers as a % of total public funds	2.13%
	Commercial papers as a % of total liabilities	2.03%
	Commercial papers as a % of total assets	1.21%
2	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	Nil
	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	Nil
	Non-convertible debentures (original maturity of less than one year) as a % of total assets	Nil
3	Other short-term liabilities as a % of total public funds	4.49%
	Other short-term liabilities as a % of total liabilities	4.27%
	Other short-term liabilities as a % of total assets	2.56%

(vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has adopted an Asset Liability Management Policy and instituted the Asset Liability Management Committee to monitor and manage liquidity risk *inter-alia* by way of monitoring the asset liability composition, reviewing the liquidity and borrowing program of the Company, setting-up and monitoring prudential limits on negative mismatches w.r.t. liquidity and interest rate and forecasting and analysing 'what if scenario' and preparation of contingency plans. Further, the Audit Committee and the Risk Management Committee as a part of evaluation of the overall risks faced by the Company evaluate the liquidity risk faced by the Company.

The Company's liquidity and funding approach documented through its various plans and policies including the Asset Liability Management Policy, Resources Planning, Investment Policy and Treasury Deployment Policy, is to ensure that funding is available to meet all market related stress situations. We endeavor to maintain a conservative Asset Liability Management approach which is focused on maintaining long term funding stability.

The Company's liquidity management set-up is assessed periodically to align the same with any regulatory changes in the economic landscape or business needs.