

## **IFFCO Kisan Finance Ltd**

### **Disclosure on Liquidity Risk Management**

**(i) Funding Concentration based on significant counterparty**

<b>Sr. No.</b>	<b>No. of Significant Counterparties</b>	<b>Amount (₹ crore)</b>	<b>% of Total Deposits</b>	<b>% of Total Liabilities</b>
1	2	241.75	N.A	95

Notes:

- A “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 and 10% for other non-deposit taking NBFCs
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus
- Significant Counterparties are ICICI Bank and Bank of Baroda.

**(ii) Top 20 large deposits (amount in ₹ crore and % of total deposits) – Not Applicable**

**(iii) Top 10 borrowings**

<b>Amount (₹ crore)</b>	<b>% of Total Borrowings</b>
241.75	100

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

<b>Sr. No.</b>	<b>Name of the product</b>	<b>Amount (₹ crore)</b>	<b>% of Total Liabilities</b>
1	Term Loans	241.75	95%
	<b>Total</b>	<b>241.75</b>	<b>95%</b>

Note:

- A “Significant instrument/product” is defined as a single instrument/product or 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.
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus.

(v) **Stock Ratios:**

Sr. No.	Stock Ratio	%
1	Commercial papers as a % of total liabilities	0%
2	Commercial papers as a % of total assets	0%
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0%
5	Other short-term liabilities as a % of total liabilities	22%
6	Other short-term liabilities as a % of total assets	11%

Note:

- 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)
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus

(vi) **Institutional set-up for Liquidity Risk Management**

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board of Directors also approves constitution of Asset Liability Committee (ALCO) which is the decision making unit responsible for balance sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks. In addition to monitoring the risk levels of the Company, the ALCO reviews the results of and progress in implementation of the decisions made in the previous meetings. The meetings of ALCO are held Quarterly or more frequently,

if needed. The ALCO discusses the ability of the Company to meet its liabilities as they become due and ensures that the probability of an adverse situation developing is reduced. An important objective of the Liquidity Risk Management framework is to ensure that periods of liquidity stress which may arise because of market conditions are endured. The ALCO measures the liquidity positions of the Company on an ongoing basis and also examines how liquidity requirements are likely to evolve under different assumptions. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds.