Ashv Finance Limited

Disclosure on Liquidity Risk

Background:

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019 vide circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20. As per the said guidelines, NBFC are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosure on liquidity risk as at September 30, 2024 is as under:

(i) Funding Concentration based on significant counterparty

Sr. No.	No. of Significant Counterparties	Amount (₹ lacs)	% of Total Deposits	% of Total Liabilities
1	25	37,548.77	Not applicable	87.97%

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 and computed basis extant regulatory ALM guidelines

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

(iii) Top 10 borrowings

Amount of borrowed funds from top ten significant counterparties* (₹ lacs)	% of Total Borrowings
28,551.52	72.99%

Note:

- Accrued interest on borrowings have not been considered in above calculation.
- Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.

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

Sr. No.	Name of the product	Amount (₹ Lacs) *	% of Total Liabilities
1	Debt securities	13,510.33	31.7%
2	Term Loans	22,218.69	52.1%
3	Pass Through Certificates (PTCs)	2,386.55	5.6%
4	Commercial Papers	-	0.0%
5	Subordinated liabilities	1,000.00	2.3%
	Total	**39,114.47**	**91.6%**

Notes:

- A "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 and 10% for other non-deposit taking NBFCs.
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

* Figures are based on gross borrowing outstanding and does not include accrued interest and other Ind AS adjustments.

(v) **Stock Ratios:**

Sr. No.	Stock Ratio	%
1	Commercial papers as a % of total liabilities	0.00%
2	Commercial papers as a % of total assets	0.00%
3	Commercial papers as a % of public funds*	0.00%
4	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%
5	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%
6	Non-convertible debentures (original maturity of less than one year) as a % of public Funds*	0.00%
7	Other short-term liabilities as a % of total liabilities	9.77%
8	Other short-term liabilities as a % of total assets	5.68%
9	Other short-term liabilities as a % of public funds*	10.66%

Note:

- Commercial Paper for stock ratio is the Gross outstanding (i.e. Maturity amount).
- 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), basis extant regulatory ALM guidelines.

*Public funds is 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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligationswhen due.

Management of the Company monitors forecast of liquidity position and cash and cash equivalentson the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.