

SAKTHI FINANCE LIMITED, COIMBATORE
Public Disclosure on Liquidity Risk

Background

Reserve Bank of India ("RBI") has, by its Master Direction – RBI (NBFC - Scale Based Regulations) Direction 2013 No RBI/DoR/2023-24/05/DoR FIN:REC: No 45/03.10.119/2023-24 dated 19 October 2023 on "Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies", NBFCs are required to publicly disclose the requisite particulars relating to liquidity risk on a quarterly basis.

Accordingly, the disclosures relating to liquidity risk as on 30 September 2024 is given below:

1. Funding concentration based on significant counterparty

SI No	No of significant Counter parties	Amount (₹ Crores)	% to Total Deposits	% of Total Liabilities
1	4	124.01	88.72	10.33

Notes:

- * A Significant counterparty is defined as a single counterparty or a group of connected or affiliated counterparties in aggregate for more than 1% of the NBFC-NDFI's, NBFC-D's Total Liabilities and 10% for other non-deposit taking NBFCs.
- * Total Liabilities has been computed as Total Assets less Equity Share Capital less Reserves and Surplus and computed on the basis of extant ALM Guidelines.

2. Top 20 Large Deposits (amount ₹ Crs) and % of Total Deposits

Top 20 Large Deposits	4.55
% of total Deposits	3.25

3. Top 10 borrowers (amount ₹ Crs) of total borrowings

Top 10 borrowers	163.74
% of total borrowings	14.63

- * Total Borrowing has been computed as Gross Total Debt basis as per extant regulatory ALM Guidelines.



4. Funding concentration based on significant instrument / product

SI No	Name of the Product	Amount (₹ Crores)	% to Total Liabilities
1	Non- Convertible Debentures - Public Issue	587.33	48.92
2	Fixed Deposits	139.78	11.64
3	Redeemable Non- Convertible Debentures - Pvt. Placement	93.37	7.78
4	From Banks: Cash Credit and Demand Loans	77.27	6.44
5	Sub Ordinate Debts	73.13	6.09
6	Non Convertible Debentures - Unsecured	63.63	5.30
7	Term Loans - Financial Institutions & Banks	43.85	3.65
8	Redeemable Cumulative preference Shares	21.55	1.79
9	Term Loans - Corporates	19.57	1.63
	Total	1,119.48	

Note:

* A Significant instrument/product is defined as a single instrument/product or a group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDFI'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 Reserves and Surplus and computed on the basis of extant ALM Guidelines.

5. Stock Ratios

SI No	Stock Ratio	Percentage
1	Commercial papers as a % to Total Liabilities	NA
2	Commercial papers as a % to Total Assets	NA
3	Non-Convertible Debentures (Original maturity of less than one year) as a % to Total Liabilities	14.75%
4	Non-Convertible Debentures (Original maturity of less than one year) as a % to Total Assets	12.45%
5	Other Short - term Liabilities as a % to Total Liabilities	16.16%
6	Other Short - term Liabilities as a % to Total Assets	13.65%



6. Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company have an overall responsibility for the management of all types of risks, including liquidity risk, to which the Company is exposed in the normal course of its business. Further, the Board of Directors have constituted a Risk Management Committee (“RMC”), as mandated by RBI, for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are presently held as may be necessary, however, the Company intends to expand the frequency of holding the meetings. Moreover, the Board of Directors have also constituted an Asset Liability Committee (“ALCO”), for the management of the Company’s short and long-term funding and meeting liquidity requirements. The Company manages liquidity risk by maintaining adequate reserves and surplus, accessing undrawn bank facilities and obtaining funding from various other sources, as may be feasible. ALCO provides guidance and direction in terms of interest rate, liquidity, funding sources etc. ALCO meetings are held as may be required, however, the Company intends to hold more meetings in a year for the effective functioning. The minutes of ALCO meetings are placed before the Board of Directors at their next meeting for their perusal / approval / ratification.



Liquidity Coverage Ratio ("LCR") Disclosures for the Quarter ended 30 September 2024

(₹ lakhs)

Sl No	Particulars	As on 31 December 2023		As on 31 March 2024		As on 30 June 2024		As on 30 September 2024	
		Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
1	High Quality Liquid Assets	2,646.36	2,466.99	5,659.52	5,519.21	8,336.34	8,072.41	7,104.21	6,757.85
	Cash Outflows:								
2	Deposits (for deposit taking companies)	438.02	503.72	252.26	290.10	144.11	165.73	119.00	136.85
3	Unsecured wholesale funding	1,217.69	1,400.34	2,799.74	3,219.70	1,443.04	1,659.50	1,573.74	1,809.80
4	Secured wholesale funding	1,018.27	1,171.01	979.32	1,126.22	4,200.89	4,831.02	409.12	470.48
5	Additional requirements, of which:								
(i)	Outflows related to derivative exposure and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	1,056.96	1,215.50	1,633.73	1,878.79	1,886.45	2,169.41	1,133.20	1,303.18
6	Other contractual funding obligations	-	-	389.68	448.14	-	-	-	-
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	Total Cash Outflows	3,730.94	4,290.58	6,054.74	6,962.95	7,674.49	8,825.66	3,235.07	3,720.33
	Cash Inflows:								
9	Secured Lending	6,640.27	4,980.20	6,397.39	4,798.05	6,633.39	4,975.04	6,187.30	4,640.47
10	Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11	Other cash inflows	627.21	470.41	13.80	10.35	15.24	11.43	18.18	13.64
12	Total Cash Inflows	7,267.48	5,450.61	6,411.20	4,808.40	6,648.63	4,986.47	6,205.48	4,654.11
13	TOTAL HQLA		2,466.99		5,519.21		8,072.41		6,757.85
14	TOTAL NET CASH OUTFLOWS		1,072.65		2,154.55		3,839.19		930.08
15	LIQUIDITY COVERAGE RATIO (%)		229.99		256.17		210.26		726.59

* Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

* Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow

Components of HQLA	As on 31 December 2023	As on 31 March 2024	As on 30 June 2024	As on 30 September 2024
- Cash on Hand	188.74	204.07	290.64	167.69
- Balances with Banks	1,560.76	4,753.90	3,272.70	1,991.42
- Fixed Deposit with Banks	-	-	3,453.33	3,213.33
- Government Securities	896.86	701.55	1,086.33	1,381.77
- Fixed Deposit SLR	-	-	233.33	350.00
Total	2,646.36	5,659.52	8,336.34	7,104.21

