

AKARA CAPITAL ADVISORS PRIVATE LIMITED

APPENDIX VI-A: Public Disclosure on Liquidity Risk as on September 30, 2024

Background

Pursuant to Annex VI (1)(1.9) of [Master Direction – Reserve Bank of India \(Non-Banking Financial Company – Scale Based Regulation\) Directions, 2023 \(Updated as on November 10, 2023\)](#) on Guidelines on Liquidity Risk Management Framework, NBFCs are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosures on liquidity risk as on September 30, 2024, are as under:

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

Sr. No.	Number of Significant Counterparties	Amount (Rs. in Crore)	% of Total Deposits	% of Total Liabilities
1	11	677.41	-	66.28%

(ii) Top 20 large deposits (amount in Rs. crore and percent of total deposits): Not Applicable

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

Sr. No.	Number of Significant Counterparties	Amount (Rs. in Crore)	% of Total Borrowings
1	10	667.08	70.03%

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

Sr. No.	Name of Instrument/Product	Amount (Rs. in Cr.)	% of Total Liabilities
1	Borrowings from Banks	64.92	6.35%
2	Borrowings from Financial Institutions (All Other than Banks)	403.19	39.45%
3	Subordinated Debt	-	-
4	Commercial Paper	-	-
5	External Commercial Borrowings - Senior Secured Notes	484.49	47.41%
6	Other Loans - Loans from Directors and relatives	-	-
7	Total		

(v) Stock Ratios:

Sr. No.	Stock Ratio	% of Total Liabilities
(a)	Commercial papers as a % of total public funds	NA
	Commercial papers as a % of total liabilities	NA
	Commercial papers as a % of total assets	NA
(b)	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	NA
	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	NA
	Non-convertible debentures (original maturity of less than one year) as a % of total assets	NA
(c)	Other short-term liabilities if any as a % of total public funds*	19.06%
	Other short-term liabilities if any as a % of total liabilities*	17.77%
	Other short-term liabilities if any as a % of total assets*	10.82%

*Other short-term liabilities comprise of current liabilities less short-term borrowings

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

The Company has in place organizational set up as directed in RBI regulations to decide the strategy, policies, and procedures of the Company to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it. The set up includes the following bodies:

- A. Board of Directors:** The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.
- B. Asset Liability Management Committee (“ALM Committee”):** The ALM Committee of the Board, consisting of Managing Director, shall be responsible for evaluating the liquidity risk. The Asset-Liability Management Committee (ALCO) consisting of the NBFC’s top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC.

The role of the ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities, and controls for managing liquidity risk, and overseeing the liquidity positions of the Company. The ALM Support Group responsible for analyzing, monitoring and reporting the liquidity risk profile to the ALCO.

C. Risk Management Committee shall evaluate the overall risks faced by the Company including liquidity risk.

Notes:

- 1) Total Liabilities represent total liabilities as per Balance sheet.
- 2) Other short-term liabilities represent all liabilities (excluding commercial paper) maturing within a year.
- 3) 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.
- 4) Significant instrument / product 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.
- 5) Public funds are as defined in [Master Direction – Reserve Bank of India \(Non-Banking Financial Company – Scale Based Regulation\) Directions, 2023 \(Updated as on November 10, 2023\)](#).