

# **HSBC InvestDirect Financial Services (India) Limited**

## **Disclosure on Liquidity Risk**

### **Background:**

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies (NBFC) and Core Investment Companies on November 04, 2019. As per the said guidelines, NBFC are required to publicly disclose the below mentioned related to liquidity risk on a quarterly basis. Accordingly, the disclosure on liquidity risk as at December 31, 2020 based on unaudited financial results is as under:

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

<b>Sr. No.</b>	<b>Number of significant counterparties</b>	<b>Amount (₹ Crore)</b>	<b>% of Total Deposit</b>	<b>% of Total Liabilities *</b>
1	Commercial Paper from 1 Mutual fund companies	40	NA	19%
2	Loan from holding company	162	NA	78%

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

### **iii) Top 10 borrowings**

<b>Sr. No.</b>	<b>Type of Borrowing</b>	<b>Amount (₹ Crore)</b>	<b>% of borrowings</b>
1	Commercial paper	40	20%
2	Loan from holding company	162	80%
	<b>Total</b>	<b>202</b>	<b>100%</b>

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

<b>Sr. No.</b>	<b>Number of instrument / product</b>	<b>Amount (₹ Crore)</b>	<b>% of Total Liabilities *</b>
1	Commercial paper	40	19%
2	Loan from holding company	162	78%

v) **Stock Ratios:**

<b>Sr. No.</b>	<b>Stock Ratio</b>	<b>%</b>
1	Commercial Paper To Total Public Funds	NA
2	Commercial Paper To Total Liabilities*	19%
3	Commercial Paper To Total Assets	6%
4	NCD's (original maturity < 1 year) To Total Public Funds	NA
5	NCD's (original maturity < 1 year) To Total Liabilities*	NA
6	NCD's (original maturity < 1 year) To Total Assets	NA
7	Other short-term liabilities To Total Public Funds	NA
8	Other short-term liabilities To Total Liabilities*	2%
9	Other short-term liabilities To Total Assets	1%

vi) **Institutional set-up for liquidity risk management**

HSBC InvestDirect Financial Services (India) Limited has Board approved policy for managing its liquidity risk. The Liquidity risk would be monitored in Asset Liability Management Committee / Risk Management Committee on a monthly basis.

\* Total Liabilities is excluding equity and reserves.