

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 March 31, 2022 based on unaudited financials is as under:

i) Funding Concentration based on significant counterparty as at March 31, 2022

Sr. No.	Number of significant counterparties	Amount (₹ Crore)	% of Total Deposit	% of Total Liabilities *
1	Commercial papers from 6 Mutual fund companies	285	NA	63%
2	Loan from holding company	162	NA	36%

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

iii) Top 10 borrowings as at March 31, 2022

Sr. No.	Type of Borrowing	Amount (₹ Crore)	% of borrowings
1	Commercial papers	285	64%
2	Loan from holding company	162	36%
	Total	447	100%

iv) Funding Concentration based on significant instrument/product as at March 31, 2022

Sr. No.	Number of instrument / product	Amount (₹ Crore)	% of Total Liabilities *
1	Commercial papers	285	63%
2	Loan from holding company	162	36%

v) **Stock Ratios as at March 31, 2022**

Sr. No.	Stock Ratio	%
1	Commercial Paper To Total Public Funds	NA
2	Commercial Paper To Total Liabilities*	63%
3	Commercial Paper To Total Assets	30%
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*	0%
9	Other short-term liabilities To Total Assets	0%

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.