

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 Sep 30, 2021 based on unaudited financial results is as under:

i) Funding Concentration based on significant counterparty

As at Sep 30, 2021

Sr. No.	Number of significant counterparties	Amount (₹ Crore)	% of Total Deposit	% of Total Liabilities *
1	Commercial Paper from 1 Mutual fund company	10	NA	6%
2	Loan from holding company	162	NA	92%

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

iii) Top 10 borrowings

As at Sep 30, 2021

Sr. No.	Type of Borrowing	Amount (₹ Crore)	% of borrowings
1	Commercial paper	10	6%
2	Loan from holding company	162	94%
	Total	172	100%

iv) **Funding Concentration based on significant instrument/product**
As at Sep 30, 2021

Sr. No.	Number of instrument / product	Amount (₹ Crore)	% of Total Liabilities *
1	Commercial paper	10	6%
2	Loan from holding company	162	92%

v) **Stock Ratios:**
Sep 30, 2021

Sr. No.	Stock Ratio	%
1	Commercial Paper To Total Public Funds	NA
2	Commercial Paper To Total Liabilities*	6%
3	Commercial Paper To Total Assets	2%
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*	7%
9	Other short-term liabilities To Total Assets	2%

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.