

Background

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019, vide circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/201920. As per the guidelines, NBFCs are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosures on liquidity risk as of March 31, 2023, are as under:

Company Name: Pahal Financial Services Private Limited

Period Ended : 31.03.2023

Appendix I

Public Disclosure on Liquidity Risk

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

Sl.No.	Number of Significant Counterparties	Amount (Rs. Crore)	% of Total Deposits	% of Total Liabilities (Borrowings)
1	30	982.13	-	91.00%

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits) – **Not Applicable**

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

Sl. No.	Name of the instrument/product	Amount (Rs. Crore)	% of Total Liabilities (Borrowings)
1	Top 10	576.56	53.42%

(iv) Funding Concentration based on significant instrument/product

Sl.No.	Name of the instrument/product	Amount (Rs. Crore)	% of Total Liabilities (Borrowings)
1	Term Loans	688.66	63.81%
2	Non-Convertible Debentures	259.58	24.05%
3	Sub-Debt	103.14	9.56%
4	ECB	26.27	2.43%
5	OD against FD	1.67	0.15%
Total		1079.32	100.00%

(v) Stock Ratios:

- a) Commercial papers as a % of total public funds, total liabilities, and total assets: **Not Applicable**

Sl.No.	Name of the instrument/product	Weightage
1	Commercial papers as a % of Total Public Funds:	Not Applicable
2	Commercial papers as a % of Total Outside Liabilities:	Not Applicable
3	Commercial Papers as a % of Total Assets:	Not Applicable

- (a) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities, and total assets:- **NIL %**

- (b) Other short-term liabilities, if any as a % of total public funds, total liabilities, and total assets:

Sl.No.	Name of the instrument/product	Weightage
1	Other Non – Financial liabilities as a % of Total Public Funds:	NA
2	Other Non – Financial liabilities as a % of Total Outside Liabilities:	0.29%
3	Other Non – Financial liabilities as a % of Total Assets:	0.24%

(vi) Institutional set-up for liquidity risk management

Board of Directors: The Board has the overall responsibility for the 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.

Risk Management Committee: The Risk Management Committee is responsible for evaluating the overall risk faced by the NBFC including the liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision and management of various aspects including liquidity risks faced by the company. The meetings of RMC are held at the quarterly interval.

Asset-Liability Management Committee (ALCO): The Board of Directors also approves the constitution of the Asset Liability Committee (ALCO), consisting of the Company's top management which functions as the strategic decision-making body for the asset-liability management of the Company from the risk-return perspective and within the risk appetite and tolerance limits approved by the Board. The ALCO ensures adherence to the risk tolerance/limits set by the Board as well as implements the liquidity risk management strategy of the NBFC. ALCO meetings are held once a quarter or more frequently as warranted from time to time.