

# ANNAPURNA FINANCE PRIVATE LIMITED

## Liquidity Coverage Ratio (LCR) Disclosures

*(Pursuant to RBI (NBFC – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, and earlier RBI circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019)*

### LCR DISCLOSURE

	Particulars	As of 31 <sup>st</sup> Dec 2025 (₹ In Crores)	
		Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)
High Quality Liquid Assets			
<b>1</b>	Total High Quality Liquid Assets (HQLA)	322.78	322.78
<b>Cash Outflows</b>			
<b>2</b>	Deposits (for deposit taking companies)	0.00	0.00
<b>3</b>	Unsecured wholesale funding	20.52	23.60
<b>4</b>	Secured wholesale funding	349.27	401.66
<b>5</b>	Additional requirements, of which	0.00	0.00
<b>(i)</b>	Outflows related to derivative exposures and other collateral requirements	0.00	0.00
<b>(ii)</b>	Outflows related to loss of funding on debt products	0.00	0.00
<b>(iii)</b>	Credit and liquidity facilities	0.00	0.00
<b>6</b>	Other contractual funding obligations	332.51	382.39
<b>7</b>	Other contingent funding obligations	44.82	51.54
<b>8</b>	<b>TOTAL CASH OUTFLOWS</b>	<b>747.12</b>	<b>859.19</b>
<b>Cash Inflows</b>			
<b>9</b>	Secured lending	0.00	0.00
<b>10</b>	Inflows from fully performing exposures	699.18	524.39
<b>11</b>	Other cash inflows	424.24	318.18
<b>12</b>	<b>TOTAL CASH INFLOWS</b>	<b>1123.43</b>	<b>842.57</b>
<b>Total Adjusted Value</b>			
<b>13</b>	<b>TOTAL HQLA</b>		<b>322.78</b>
<b>14</b>	<b>TOTAL NET CASH OUTFLOWS</b>		<b>214.80</b>
<b>15</b>	<b>LIQUIDITY COVERAGE RATIO (%)</b>		<b>150.27%</b>

## Qualitative Disclosure on LCR

As per Reserve Bank of India guidelines, all deposit-taking NBFCs, regardless of their asset size, and non-deposit-taking NBFCs with assets of Rs.5,000.00 crore and above, are required to maintain a liquidity coverage ratio (LCR). This ensures they hold enough high-quality liquid assets (HQLA) to withstand a 30-day period where cash outflows increase to 115% and cash inflow decrease to 75%. The LCR is determined by averaging daily observations over 90 days.

### I. Main LCR drivers and evolution of the contribution of inputs in LCR Calculation over time

- The numerator of LCR represents the quantum and composition of HQLA without any haircuts, comprising of Cash and Cash equivalent and investment in T bills.
- The denominator includes expected net cash outflows over the next 30 calendar days arising from stressed funding scenarios.

*Expected cash outflows and inflows are stressed at 115% and 75% respectively, with inflows capped at 75% of stressed outflows, to arrive at net cash outflows for LCR computation.*

**The key components contributing to the net cash outflows are:**

#### Outflows:

- a) **Unsecured and secured wholesale funding** -- All the principal and interest obligations falling due within the next 30 days arising from funding raised through various instruments like Term loans from Bank/FI/NBFC, ECBs, NCDs and Sub Debts.
- b) **Other contractual funding obligations** – Other Contractual funding obligations include:
  - Off-balance sheet (Direct assignment outflows) to be paid during the next 30 days
  - Amount due to be hypothecated against the new funds raised in the next 30 days
  - Statutory dues payable for the next 30 days
- c) **Other contingent funding obligations** – These are undisbursed sanctioned loan amounts expected to be disbursed in the next 30 days.

#### Inflows:

- a) **Inflows from fully performing exposure** – Includes Principal and Interest payments due to be received in the next 30 days from the outstanding loans and advances, excluding the non-performing demand.
- b) **Other Cash Inflows** – All investments in fixed deposits and mutual funds maturing within the next 30 days have been considered in the calculation. In addition, the retained earnings component from the DA Pool has also been included as part of the available liquidity for the period.

**II. Intra period changes and changes over time** – The company endeavors to maintain a healthy level of LCR at all point of time. The table below shows the movement in each component of LCR over the Financial Year:

Particulars	Dec 31, 2025	Sep 30, 2025	June 30, 2025	March 31, 2025
Total HQLA	32,278	33,223	36,989	36,292
Total Net Cash Outflows	21,480	20,677	19,803	20,768
Liquidity Coverage Ratio (LCR) %	150.27%	160.68%	186.79%	174.74%

**III. Composition of HQLA** - The company has kept sufficient cash and cash equivalents which are regarded as High-Quality Liquid Assets (HQLA) in the form of bank balances and Investments in T-Bills. The components of HQLA for the Quarters is as under: -

<b>Particulars</b>	<b>For the year ended Dec 31, 2025 (Weighted average)</b>	<b>For the year ended Sep 30, 2025 (Weighted average)</b>
Cash in hand	1,662	1,875
Balances with Banks	12,342	12,975
Investments in Treasury Bills	18,275	18,372
<b>Total</b>	<b>32,278</b>	<b>33,223</b>

**IV. Concentration of funding sources** - The Company has a diversified funding profile in the form of term loans from Bank, NBFC, FIs, non-convertible debentures and External Commercial Borrowings which are long-term in nature. The Company is a non-deposit taking NBFC and hence, reporting nil deposits. The Company has a wide array of investors / bankers who have funded the Company through various funding instruments.

**V. Derivative exposure and potential collateral calls** – The company didn't indulge in derivative trading activities. However, the company has entered derivative transactions to hedge its balance sheet liability exposure and has accordingly considered in its computation process.

**VI. Currency mismatch in LCR** – AFPL computes LCR in one single currency. Though AFPL has raised funds through external commercial borrowings, all the exposures are completely hedged and AFPL doesn't have any exposure to any other components.

**VII. Other inflows and outflows in LCR calculation that are not captured in LCR** – All the components of inflows and outflows that are captured in the LCR calculation is mentioned above.

AFPL continues to maintain a strong liquidity position, consistently achieving an LCR well above the regulatory minimum of 100% as prescribed under the Basel III framework with zero daily breach on LCR. The elevated LCR reflects the strength of our liquidity strategy, characterized by healthy buffer of HQLA. AFPL has increased its investment exposure in T-Bills. This demonstrates our firm's commitment to prudent liquidity, risk management and financial resilience.

Unweighted value has been calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

1. Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

\*LCR has been calculated using simple average daily observations of data points.

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## Public Disclosure on Liquidity Risk (Dec 31, 2025)

(Pursuant to RBI (NBFC – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, and earlier RBI circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019)

### 1. Funding Concentration based on significant counterparty (both deposits and borrowings)

Number of Significant Counter Parties	Amount (In Lakhs)	% of Total Deposits	% of Total Liabilities
34	6,07,311.13	NA	79.57%

### 2. Top 20 Largest Deposits

There are no deposits accepted by the company as the company is non-deposit taking NBFC.

### 3. Top 10 Borrowings (amount in lakhs and % of total borrowings)

Amount in Lakhs	% of Total Borrowings
2,84,508.31	40.04%

### 4. Funding Concentration based on significant instrument/products.

Name of the instrument/Product	Amount in lakhs *	% of Total Liabilities
Term Loans from Banks	56,533	7.41%
Term Loans from FI	10,839	1.42%
CCD	15,000	1.97%
OCD	15,000	1.97%
External Commercial Borrowings	1,43,620	18.82%
Sub Debt (unsecured) - Debentures	60,000	7.86%
Non-Convertible Debentures	26,000	3.41%
<b>Total Borrowings</b>	<b>3,26,992</b>	<b>42.84%</b>
<b>Total Liabilities</b>	<b>7,63,214</b>	

## 5. Stock Ratios for the Quarter.

Stock Ratios for the quarter			
Particulars	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial Papers	0	0	0
Non-convertible debentures (Original maturity of less than 1 year)	0	0	0
Other Short-term liabilities	96.23%	44.79%	36.77%

## 6. Institutional set-up for liquidity risk management

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance limit as decided by the board.

The Company also has a Risk Management Committee, which is a sub-committee of the board and is responsible for evaluating the overall risk faced by the Company, including liquidity risks.

The Asset Liability Management Committee (ALCO) of the Company is responsible for ensuring adherence to risk tolerance limits as well as implementing the liquidity risk management strategy of the Company.

Chief Risk Officer (CRO) is part of the process of identification, measurement, and mitigation of liquidity risks.

The ALCO under the chairmanship of the Director, consist of the following members Chief Financial Officer (CFO), Chief Operating Officer (COO), Chief Risk Officer (CRO), Credit Head, Institutional Finance Head who are responsible for analyzing, monitoring and reporting the liquidity profile to the ALCO.

Notes –

- A “Significant counterparty” is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI’s, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
- Total Liabilities have been computed as Total Assets less Equity Share Capital and Reserve & Surplus.
- A “significant instrument/product” is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI’s, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
- Other Short-term liabilities have been computed as sum of total trade payable, other financial and non-financial liabilities and borrowings payable within one year as per residual maturity.
- Public funds are as defined in Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.