

## Public Disclosure on Liquidity Risk as on September 30, 2025

### Background

RBI has issued a guideline 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 said guidelines, NBFCs are required to publicly disclose the information below related to liquidity risk on a quarterly basis. Accordingly, the disclosures on liquidity risk as of September 30, 2025, are submitted as under:

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

Number of Significant Counterparties	Amount (Rs. in Crores)	% of Total Deposits	% of Total Liabilities
10	589.80	1212.75%	19.19%

Note: Considered only Working Capital Facilities from Banks and financial Institutions

#### (ii) Top 20 large deposits:

Total amount of Top 20 Deposits (Rs. in Crores)	5.66
% of amount of top 20 Deposits to Total Deposits	11.64%

#### (iii) Top 10 large borrowings:

Total amount of Top 10 Borrowings (Rs. in Crores)	589.80
% of amount of Top 10 Borrowings to Total Borrowings	21.99%

#### (iv) Funding Concentration based on significant instrument/product:

Name of the instrument/product	Amount (Rs. in Crores)	% of Total Liabilities
Loan from Bank/ Other Financial Institution including Securitization	1374.80	44.72%
Commercial Paper	182.77	5.95%
Subordinated Liabilities	25.99	0.85%
Deposits	48.63	1.58%
Non-Convertible Debentures	1318.94	42.91%
Principal Protected Market Linked Debentures	44.86	1.46%
<b>Total</b>	<b>2995.99</b>	<b>97.46%</b>

a) Total Liabilities represent Total Liabilities and Equity as per Balance Sheet less Equity.

**(v) Stock Ratio**

<b>Particulars</b>	<b>30.09.2025</b>
Commercial paper as a percentage of total public funds	6.10%
Commercial paper as a percentage of total liabilities	5.95%
Commercial paper as a percentage of total assets	4.90%
Other Short -term liabilities as a percentage of total public funds	61.78%
Other Short -term liabilities as a percentage of total liabilities	60.21%
Other Short- term liabilities as a percentage of total assets	49.61%
Non-convertible debentures (original maturity less than one year) as a percentage of total public funds	-
Non -Convertible debentures (original maturity less than one year) as a percentage of total liabilities	-
Non -Convertible debentures (original maturity less than one year) as a percentage of total assets	-

- a) Public Funds represent Debt Securities, Borrowings from Banks, and Financial Institutions (other than debt securities), Subordinated Liabilities, Public Deposits, Securitization transactions and exclude Loan from Directors and Relatives.
- b) Total Liabilities represent Total Liabilities and Equity as per Balance Sheet less Equity.
- c) Other Short-Term Liabilities represent all liabilities maturing within a year.

**(vi) Disclosure on Liquidity Coverage Ratio (LCR):**

As part of the Liquidity Risk Management Framework for NBFCs, RBI has mandated maintenance of Liquidity Coverage Ratio (LCR) effective 1st Dec 2020. Presently, the Company is required to maintain a minimum LCR of 100%, effective December 1, 2024.

The main drivers of LCR are adequate HQLAs and lower net cash outflow. Major source of borrowings for the Company are Non-Convertible Debentures, Term loans from Banks, Commercial paper and Public deposits.

**LCR :**

<b>Particulars</b>	<b>As on September 30<sup>th</sup> ,2025</b>	<b>Regulatory requirement</b>
Liquidity Coverage Ratio	111.06%	100%

**(vii) Institutional set-up for Liquidity Risk Management**

The Board has overall responsibility for management of liquidity risk. The Board decides the strategy, policies, and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it, from time to time. The Board has setup the Asset Liability Management Committee (ALCO) and Risk Management Committee to manage various risks of the Company. The Risk Management Committee of the Board (RMCB) is exercising diligent oversight of the liquidity risks of MCSL and responsible for evaluating the liquidity risk. ALCO meets on a regular basis and is responsible for ensuring adherence to the risk tolerance/limits set by the Board including the Liquidity

risk of the Company. The performance of the ALCO is reviewed by RMCB / Board.

The company has ALM Support Group for monitoring and reporting the liquidity risk profile to the ALCO. The operating staff prepare forecasts (simulations) showing the effects of various possible changes in market conditions related to the balance sheet and recommend the action needed to adhere to Company's internal limits.

The Company has formulated a policy on Liquidity Risk Management Framework and the Company

- Reviews Liquidity Mismatches, Interest-Rate Sensitivity position, Resource Raising and Deployment vis-a-vis Cost of borrowings/ Yields on advances.
- Reviews the product mix and product pricing, Strategies for deployment of surplus funds. & Decision on Entering into interest rate derivatives contracts.
- Performs stress testing on a quarterly basis which enables the Company to estimate the liquidity requirements as well as adequacy and cost of the liquidity buffer under stressed conditions.
- Has also formulated a contingency funding plan as a part of the outcome of stress testing results and EWS triggers.
- Monitors liquidity risk based on 'Stock' approach to liquidity by way of pre-defined internal limits for various critical ratios pertaining to liquidity risk.

The Company has diversified source of funding to ensure that there is no significant source, the withdrawal of which could trigger liquidity problems. The Company monitors cumulative mismatches across all time buckets by establishing internal prudential limits. The Company maintains adequate liquidity buffer of readily marketable assets, to protect itself against any liquidity risk at the same time is mindful of the cost associated with it.