

Public Disclosures in accordance with RBI Circular on liquidity risk management

RBI vide its guidelines on "Liquidity Risk Management" dated November 04,2019 has mandated to publicly disclose the funding concentration based on the significant counterparties, products, instruments.

Liquidity risk

The Company has put in place an effective Asset Liability Management System and has also constituted an Asset Liability Management Committee ("ALCO") which monitors the liquidity risk with the help of liquidity gap analysis. The Company continuously monitors the projected and actual cash flows and accordingly maintains adequate bank balances, overdraft facilities, short term investments that are readily convertible into cash and adequate borrowing plans.

(i) **Funding Concentration based on significant counterparty (borrowings)**

Particulars	As at 30.06.2021	As at 31.03.2021
Number of significant counterparties *	18	20
Amount (₹ in Crores)	167,298.03	182,250.87
% of Total Liabilities	46.40%	51.08%

(ii) **Top 10 borrowings**

Particulars	As at 30.06.2021		As at 31.03.2021	
	Amount (₹ in Crore)	% of Total borrowings	Amount (₹ in Crore)	% of Total borrowings
1 Term Loan from State Bank of India	10,839.32	3.32%	10,839.90	3.36%
2 Term Loan from National Small Savings Fund (NSSF)	10,000.00	3.06%	10,000.00	3.10%
3 Term Loan from HDFC Bank	8,650.00	2.65%	4,650.00	1.44%
4 54EC- Series XI (2018-19)	6,651.77	2.04%	6,651.77	2.06%
5 54EC- Series XI (2019-20)	6,157.72	1.88%	6,157.72	1.91%
6 Term Loan from Indian Infrastructure Finance Company Ltd. (IIFCL)	5,800.00	1.78%	5,800.00	1.80%
7 54 EC-Series XIV (2020-21)	5,305.53	1.62%	-	0.00%
8 Foreign Currency Bonds- US \$700 Mn Bonds	5,204.19	1.59%	5,145.33	1.60%
9 Institutional Bonds- 182nd Series	5,063.00	1.55%	5,063.00	1.57%
10 Institutional Bonds- 203rd A Series	5,000.00	1.53%	5,000.00	1.55%
11 Foreign Currency Bonds- US \$650 Mn Bonds	-	-	4,777.81	1.48%
Total	68,671.53	21.02%	64,085.53	19.87%

(iii) **Funding Concentration based on significant instrument/ product**

Name of significant instrument/ product *	As at 30.06.2021		As at 31.03.2021	
	Amount (₹ in Crore)	% of Total Liabilities	Amount (₹ in Crore)	% of Total Liabilities
1 Debt Securities				
Institutional Bonds	172,163.60	47.75%	173,338.60	48.58%
Foreign Currency Bonds	26,764.41	7.42%	26,461.71	7.42%
54EC Capital Gain Tax	19,403.37	5.38%	18,121.59	5.08%
Exemption Bonds				
Tax Free Bonds	12,648.41	3.51%	12,648.41	3.54%
Sub-Total (1)	230,979.79	64.07%	230,570.31	64.62%
2 Borrowings (Other than Debt Securities)				
Term Loans from Banks	34,436.70	9.55%	29,938.58	8.39%
Foreign Currency Borrowings	21,669.49	6.01%	21,024.72	5.89%
FCNR (B) Loans	10,557.05	2.93%	5,329.10	1.49%
Term Loans from Govt. of India	10,000.00	2.77%	10,000.00	2.80%
Short Term Loans from Banks	6,618.00	1.84%	10,186.52	2.85%
Term Loans from Financial Institutions	5,800.00	1.61%	5,800.00	1.63%
Sub-Total (2)	89,081.24	24.71%	82,278.92	23.06%
3 Subordinated Liabilities	6,650.70	1.84%	6,650.70	1.86%
Total (1+2+3)	326,711.73	90.62%	319,499.93	89.54%

(iv) **Stock Ratios:**

Particulars	As at 30.06.2021				As at 31.03.2021			
	Amount (₹ in Crores)	% of Public Funds	% of Total Liabilities	% of Total Assets	Amount (₹ in Crores)	% of Public Funds	% of Total Liabilities	% of Total Assets
Commercial Papers	-	-	-	-	-	0.00%	0.00%	0.00%
Non-Convertible debentures having maturity of	-	-	-	-	-	-	-	-
Other Short-Term liabilities	19,256.69	5.89%	5.34%	4.74%	20,511.10	6.36%	5.75%	5.12%

* significant counterparty/significant instrument/product is defined as a single counterparty /single instrument /product or group of connected or affiliated counterparties accounting in aggregate to more than 1% of Company's total liabilities.

Quantitative Disclosure on LCR

Rbi Vide its Liquidity Framework dated 04 Nov, 2019 has stipulated the implementation of Liquidity Coverage Ratio (LCR) for applicable Non-Deposit taking NBFCs w.e.f 01 Dec, 2020. LCR aims to ensure that Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day liquidity stress scenario. Accordingly REC Limited has started computing and making investments in High Quality Liquid Assets under LCR Regime of the regulator.

Company is maintaining the LCR at 50% level as per RBI Guidelines under different class of HQLAs such as Govt.-Securities/SDRs/AAA/AA Corporate and auto swap balances with banks. Also, the management is of the view that the Company has sufficient liquidity cover to meet its likely future short-term requirements.

Liquidity Coverage Ratio Disclosure As On Quarter Ended 30.06.2021			
			Rs. In Crore
Particulars		Total Unweighted Value (average)*	Total Weighted Value (average)*
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)	1,449.79	1,415.38
Cash Outflows			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	-	-
4	Secured wholesale funding	-	-
5	Additional requirements, of which	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facilities	-	-
6	Other contractual funding obligations	7,764.60	8,929.29
7	Other contingent funding obligations	1,243.62	1,430.16
8	TOTAL CASH OUTFLOWS	9,008.22	10,359.45
Cash Inflows			
9	Secured lending	-	-
10	Inflows from fully performing exposures	5,136.83	3,852.62
11	Other cash inflows	6,980.18	5,235.13
12	TOTAL CASH INFLOWS (weighted amount restricted to 75% of Stressed Outflows on every observation day)	12,117.01	7,574.60
			Total Adjusted Value
13	Total HQLA		1,415.38
14	Total Net Cash Outflows		2,784.85
15	LIQUIDITY COVERAGE RATIO (%)		51%

* For average, daily observation during Quarter-I of FY 2021-22, has been considered.