

3. Public disclosure on Liquidity Risk

Disclosure of details as required in terms of Appendix VI-A (Annexure VI) of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the “Master Directions”) - Notes to Accounts for NBFCs on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

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

As at	Number of Significant Counterparties	Amount (₹ in Lakhs) \$ #	% of Total deposits	% of Total Liabilities
March 31st, 2024	1	297,616	Not applicable	63%
March 31st, 2023 * @	15	2,446,942	Not applicable	75%

\*Does not include overdue interest on Secured Non-convertible debentures, Secured Long Term Infrastructure Bond, Subordinated perpetual debentures and Subordinated redeemable non convertible debentures.

@ Significant counterparties are calculated basis participants in case of syndicated loan.

# Above does not include Collateralised Borrowings.

\$ Amount is as per commercial terms

Please refer to Note A, B & C as given below for the financial year ended March 31st, 2024

(ii) Top 20 large deposits (amount in ₹ in Lakhs and % of total deposits) - Not applicable (March 31st, 2023: Not applicable)

(iii) Top 10 borrowings (amount in ₹ in Lakhs and % of total borrowings)

As at March 31st, 2024		As at March 31st, 2023	
Amount (₹ in Lakhs) #	% of Total Borrowings	Amount (₹ in Lakhs) #	% of Total Borrowings
302,496	100%	2,093,179	66%

\*Does not include overdue interest on Secured Non-convertible debentures, Secured Long Term Infrastructure Bond, Subordinated perpetual debentures and Subordinated redeemable non convertible debentures.

#Above does not include Collateralised Borrowings.

Note A: In terms of the approved resolution plan, the Company has issued Non Convertible Debentures (NCD) amounting to ₹ 4,50,638 lakhs in lieu of part of debt assigned by financial creditors to NARCL Trust-0007.

NPV value has been considered as part of the total borrowing.

In terms of the approved resolution Plan accelerated payment made to NARCL Trust - 0007 against NCD 1 on March 27th, 2024.

Note B: In terms of the approved resolution plan, the Company has issued Optionally Convertible Debentures (OCD) to/on behalf of the financial creditors amounting to ₹ 8,00,000 lakhs having fair value of ₹ 6,028 lakhs. Fair value has been considered as part of the total borrowing.

Note C: In terms of the approved resolution plan, the Company has issued Compulsorily Convertible Preference Shares (CCPS) amounting to ₹ 11,69,168 lakhs in lieu of part of debt assigned by financial creditors to NARCL Trust-0007. CCPS has been considered as part of equity and not forming part of the total borrowing.

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product ##	As at March 31st, 2024		As at March 31st, 2023	
		Amount (₹ in Lakhs) \$ #	% of Total Liabilities	Amount (₹ in Lakhs) \$ #	% of Total Liabilities
1	Term Loan from Banks	-	0%	-	-
a.	Rupee Term loans - Secured	-	0%	219,881	7%
b.	Foreign currency Term loans - Secured	-	0%	95,196	3%
2	Working capital facilities	-	0%	2,002,432	62%
3	Term Loan from Others	-	0%	-	-
a.	Rupee Term loans - Secured	-	0%	207,630	6%
b.	Foreign currency Term loans - Secured	-	0%	74,778	2%
4	Non-convertible debentures - Secured	297,616	63%	255,895	8%
5	Subordinated Non convertible debentures (Tier II Capital)	-	0%	230,469	7%
6	Redeemable Optionally Convertible Debenture-Unsecured (Tier II Capital)	6,028	1%	-	0%

# Amount is as per commercial terms

##Above does not include Collateralised Borrowings.

(v) Stock Ratios:

Sr. No.	Particulars	As at March 31st, 2024	As at March 31st, 2023
1	Commercial Papers to Total Public Funds	-	-
2	Commercial Papers to Total Liabilities	-	-
3	Commercial Papers to Total Assets	-	-
4	NCDs (Original Maturity < 1 yr.) to Total Public Funds	-	-
5	NCDs (Original Maturity < 1 yr.) to Total Liabilities	-	-
6	NCDs (Original Maturity < 1 yr.) to Total Assets	-	-
7	Other Short-Term Liabilities to Total Public Funds \$	10%	@
8	Other Short-Term Liabilities to Total Liabilities	7%	@
9	Other Short-Term Liabilities to Total Assets	7%	@

@ Repayments of Trade Payable, Debt Securities, Borrowings (Other than Debt Securities) excluding collateralised borrowings, Subordinate liabilities admitted as claims pursuant to initiation of CIRP (Refer Note No 1.2) are not determinable as these liabilities would be payable as per the resolution plan to be approved by adjudicating authority and hence it is not practical to disclose the stock ratios.

# Other Short-Term Liabilities represents Total of Balance Sheet excluding total equity, Debt Securities, Borrowings (Other than Debt Securities) and Subordinated Liabilities, for maturity falling within 12 months.

\$ Public Fund includes NCDs and OCDs issued in terms of the approved resolution plan.

(vi) Institutional set-up for liquidity risk management:

The Company has undergone CIRP under the provisions of the Code and subsequently, resolution plan of NARCL has been approved by Hon'ble NCLT vide order dated August 11th, 2023. The borrowings of the Company has been re aligned in terms of the approved resolution plan (Refer Note No 1.2 and 62). Post CIRP, the Company has reconstituted the Risk Management Committee. The Asset Liability Management Committee (ALMC) has also been reconstituted. The Financial risk management framework may need to be revisited and realigned in line with the revised strategy for implementation of the approved resolution plan.

Notes:

1. The Reserve Bank of India (“RBI”) vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 (“RBI Act”) superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, has constituted a three-member Committee of Advisors for advising the Administrator.

The RBI had also filed application for initiation of Corporate Insolvency Resolution Process (“CIRP”) against the Company under Section 227 read with clause (k) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 (the “Code”) read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 (“ISP Insolvency Rules”) before the Hon'ble National Company Law Tribunal, Kolkata Bench (“Hon'ble NCLT”). Hon'ble NCLT vide its order dated October 8, 2021, admitted the application filed by RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator.

The Administrator, after adopting proper procedure, had filed applications for consolidated resolution process before the Hon'ble National Company Law Tribunal- Kolkata Bench (Hon'ble NCLT) in the case of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021). The application in this matter was admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited.

The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by Consolidated Committee of Creditors (CoC) was filed before Adjudicating Authority on February 18, 2023 for its approval and the same was approved by Hon'ble NCLT vide its Order dated August 11, 2023.

2. Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

3. 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 total liabilities.

4. Total Liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).

5. Public funds includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023

6. In terms of the approved resolution plan, an Implementation and Monitoring Committee (“IMC”) had been constituted which was empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Company as per the terms of the approved resolution plan. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorised him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Company's status as a going concern during the implementation of the approved resolution plan. IMC stands dissolved and the Board of the Company was re-constituted on February 26, 2024 to take charge of the affairs of the Company.

(a) Important provisions of approved resolution plan alongwith various steps undertaken for the implementation of approved resolution plan are given below:

(i) The approved resolution plan shall be binding on the Company and other stakeholders involved in terms of section 31 of the Code.

(ii) The administrator shall stand discharged from his duties with effect from the order dated August 11, 2023, save and except the duties envisaged in the resolution plan.

(iii) An Implementation and Monitoring Committee (“IMC”) had been constituted which was empowered to manage the affairs of the Company as per the terms of the approved resolution plan till the closing date. Thereafter implementation was carried out by IMC for implementation of the resolution plan.

(iv) IMC received the Implementation Notice dated September 22, 2023 from NARCL in terms of the approved resolution plan and referring to the Reallocation Notice dated September 21, 2023 issued by the Committee of Creditors (CoC) (CoC Re-allocation Notice), notifying the Effective Date as September 22, 2023, being the date on which NARCL, as the Resolution Applicant proposed to commence the Steps set out in Section 4 (Steps of Implementation) of the approved resolution plan.

(v) The Company, on instructions of the IMC, has taken necessary steps including making payments, to various stakeholders in terms of the approved resolution plan.

(vi) The Company had filed the application for delisting of the Non-Convertible Debentures (“NCDs”) (including perpetual debt instruments) of the Company from National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in terms of steps for the implementation as provided in the approved resolution plan. Accordingly, the record date for delisting of the NCDs (including perpetual debt instruments) issued by the Company was fixed on October 6, 2023. In the Delisting application dated September 28, 2023, the Company had informed the exchanges that the record date for determination of eligible holders for such debts is October 6, 2023 and that any payout to such eligible holders of debts will be made in terms of resolution plan. Subsequently, these NCDs were delisted by both the Stock Exchanges i.e. BSE and NSE with effect from December 14, 2023.

(vii) The Company has allotted Optionally Convertible Debentures (OCD) of ₹ 8,00,000 lakhs having face value of ₹ 1,000 each to domestic lenders and PNB Investment Services Ltd as security trustee for the benefit of assenting ECB lenders and assenting NCD holders in terms of the approved resolution plan vide IMC resolution on December 19, 2023 excluding one of the lender amounting to ₹ 151 lakhs due to non-receipt of necessary documents. In terms of the approved resolution plan, these OCDs are “unsecured” with a possible conversion into equity and considering the non-visibility of future recovery for making payments towards such uncommitted instruments, the Company has considered initial recognition of OCD as “financial liability” as per IND AS 32 and to be recorded at fair value of ₹ 6,028 lakhs in the books of accounts as per IND AS 109.

(viii) The Company has allotted Non-Convertible Debentures (NCDs) of ₹ 4,50,638 lakhs having face value of ₹ 1,000 each to NARCL Trust- 0007 as portion of assigned debt in terms of the approved resolution plan vide IMC resolution on December 26, 2023.

(ix) The Company has allotted Compulsorily Convertible Preference Shares (CCPS) of ₹ 11,69,168 lakhs having face value of ₹ 100 each to NARCL Trust- 0007 in lieu of the balance portion of the assigned debt in terms of the approved resolution plan vide IMC resolution on December 26, 2023.