

Public disclosure on liquidity risk for the quarter ended 30th June 2026

Funding Concentration based on significant counterparty:

Number of significant counterparties	Amount (INR Cr.)	% of Total deposits	% of Total liabilities
32	11,377.69	NA	88.07%

Top 10 borrowings:

Lenders	Amount (INR Cr.)	% of total borrowing
Lender 1	1,118.84	9.13%
Lender 2	790.71	6.45%
Lender 3	740.00	6.04%
Lender 4	654.00	5.34%
Lender 5	590.27	4.82%
Lender 6	496.62	4.05%
Lender 7	469.20	3.83%
Lender 8	452.14	3.69%
Lender 9	394.85	3.22%
Lender 10	391.67	3.20%

Funding Concentration based on significant instrument/product (as of 30-June -2026)

Particulars	Rs. In crores	% of total Liabilities
Term loan	7,041.93	54.51%
Non Convertible Debentures	1,131.08	8.76%
ECB	1,767.52	13.68%
WCDL	1,144.00	8.86%
Commercial Paper	351.30	2.72%
PTC	670.62	5.19%
OD against FD	108.15	0.84%
Cash Credit Account	38.63	0.30%
Grand Total	12,253.23	94.85%

Stock ratios:

Particulars	Ratio
Commercial paper as a % of total liabilities	2.72%
Commercial paper as a % of total assets	2.08%
Commercial paper as a % of total public funds	4.44%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%
Other short-term liabilities, as a % of total liabilities	53.76%
Other short-term liabilities, as a % of total total assets	41.05%
Other short-term liabilities, as a % of total public funds	87.73%

Northern Arc Capital Limited

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CIN.. L65910TN1989PLC017021

Liquidity Coverage Ratio:
(As per provisional data INR Cr.)

LCR Disclosure		Total Unweighted Value (Average)	Total Weighted Value (Average)	Weights
High Quality Liquid Assets				
1	Total High Quality Liquid Assets (HQLA)	277.75	277.75	
Cash Deposits				
2	Deposits (for deposit taking companies)	-	-	115%
3	Unsecured wholesale funding	33.52	38.54	115%
4	Secured wholesale funding	526.21	605.14	115%
5	Additional requirements, of which			
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	115%
(ii)	Outflows related to loss of funding on debt products	-	-	115%
(iii)	Credit and liquidity facilities	-	-	115%
6	Other contractual funding obligations	-	-	115%
7	Other contingent funding obligations	-	-	115%
8	Contingent funding liabilities(Opex)	55.77	64.14	115%
	TOTAL CASH OUTFLOWS	615.50	707.82	
Cash Inflows				
9	Secured lending	561.31	420.98	75%
10	Inflows from fully performing exposures	836.64	627.48	75%
11	Other cash inflows	24.73	18.54	75%
12	TOTAL CASH INFLOWS	1,422.68	1,067.01	75%
			Total Adjusted Value	
13	TOTAL HQLA to be maintained 100%		176.96	
14	TOTAL NET CASH OUTFLOWS		176.96	
15	LQUIDITY COVERAGE RATIO (%)		156.96%	

For quarter ended 30th June 2026, Northern Arc has maintained INR 277.75 crores of HQLA in the form of cash (51.69%) and T bill (48.31%). Hence the company was compliant with the LCR requirement.

- i) Unweighted values calculated as outstanding balances maturing within one month (for inflows and outflows).
- ii) Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).
- iii) Components of HQLA: Cash on hand and Demand deposits with Scheduled Commercial Banks and Government Securities and Treasury bill.
- iv) Average LCR maintained during the period starting 01st Apr 2026 to 30th June 2026 was 156.96% (Provisional) data has been presented as simple averages of daily observations over the quarter, against the regulatory requirement on 100.00%

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Institutional framework for Liquidity Risk Management at Northern Arc Capital Limited

The ALCO Policy of the Company falls under the authority of its Board of Directors, which in turn delegates authority for its formulation, revision and administration to the ALCO.

The Board of Directors / Committees of the Board has the ultimate responsibility for the implementation of and ensuring adherence to this policy, which shall be operationalized through the functioning of the Risk Committee from time to time.

The Board shall approve the ALCO Policy, post recommendation from the Risk Committee. The Risk Committee, while recommending the policy / changes in the policy for approval shall take into account of the asset-liability relationships, risk tolerance, long-term risk and return requirements, liquidity requirements, and solvency position of the Company's business,

The ALCO of Northern Arc consists of the following fixed members at present (subject to reconstitution – as approved by the Board of Directors from time to time):

- Chief Executive Officer (Chairperson)
- Chief Financial Officer (Member)
- Group Risk Officer (GRO) and Governance Head (Member)
- Chief Legal Counsel (CLC) (Member)
- Head Intermediate Retail Business (Member)
- EVP – Partnership-based Lending (Member)

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