



Annex – II: Maturity Profile – Liquidity

Heads of Accounts		Time-bucket category
A.	Outflows	
1.	Capital funds	
	a) Equity capital, Non-redeemable or perpetual preference capital, Reserves, Funds and Surplus	In the 'over 5 years' time-bucket.
	b) Preference capital - redeemable / nonperpetual	As per the residual maturity of the shares.
2.	Gifts, grants, donations and benefactions	The 'over 5 years' time-bucket. However, if such gifts, grants, etc., are tied to specific end-use, then these may be slotted in the time-bucket as per purpose / end-use specified.
3.	Notes, Bonds and debentures	
	a) Plain vanilla bonds / debentures	As per the residual maturity of the instruments
	b) Bonds / debentures with embedded call / put options (including zero coupon / deep discount bonds)	As per the residual period for the earliest exercise date for the embedded option.
	c) Fixed rate notes	As per the residual maturity
4.	Deposits :	
	a) Public deposits	As per the residual maturity.
	b) Inter Corporate Deposits	These, being institutional / wholesale deposits, shall be slotted as per their residual maturity
	c) Commercial Papers	As per the residual maturity
5.	Borrowings	
	a) Term money borrowings	As per the residual maturity
	b) From the Reserve Bank, Govt. & others	As per the residual maturity
	c) Bank borrowings in the nature of WCDL, CC, etc.	Over six months and up to one year
6.	Current liabilities and provisions :	
	a) Sundry creditors	As per the due date or likely timing of cash outflows. A behavioural analysis could also be made to assess the trend of outflows and the amounts slotted accordingly.
	b) Expenses payable (other than interest)	As per the likely time of cash outflow.



	c)	Advance income received, receipts from borrowers pending adjustment	In the 'over 5 years' time-bucket as these do not involve any cash outflow.
	d)	Interest payable on bonds / deposits	In respective time buckets as per the due date of payment.
	e)	Provisions for NPAs	The amount of provision may be netted out from the gross amount of the NPA portfolio and the net amount of NPAs be shown as an item under inflows in stipulated time-buckets.
	f)	Provision for Investments portfolio	The amount may be netted from the gross value of investments portfolio and the net investments be shown as inflow in the prescribed time-slots. In case provisions are not held security-wise, the provision may be shown on "over 5 years" time bucket.
	g)	Other provisions	To be bucketed as per the purpose/ nature of the underlying transaction.
B.	Inflows		
	1.	Cash	In 1 to 7 day time-bucket.
	2.	Remittance in transit	In 1 to 7 day time-bucket.
	3.	Balances with banks (in India only)	
	a)	Current account	The stipulated minimum balance be shown in 6 months to 1 year bucket. The balance in excess of the minimum balance be shown under Day 1-7 bucket.
	b)	Deposit accounts / short term deposits	As per residual maturity.
	4.	Investments (net of provisions)	
	a)	Mandatory investments	As suitable to the NBFC
	b)	Non-mandatory Listed	"1 day to 30 / 31 days (One month)" Over one month and upto 2 months", and "Over two months and upto 3 months" buckets depending upon the defeasance period proposed by the NBFCs
	c)	Non-mandatory unlisted securities (e.g. shares, etc.)	In the Over 5 years bucket
	d)	Non-mandatory unlisted securities having a fixed term maturity	As per residual maturity
	e)	AIF units	In the 'over 5 year' time bucket.
	5.	In case Trading Book is followed	
		Equity shares, convertible preference shares, non-redeemable / perpetual preference shares, shares of subsidiaries / joint ventures and units in	(i) Shares classified as 'current' investments representing trading book of the NBFC may be shown in time buckets of '1 day 7 days, 8 days



	open ended mutual funds and other investments.		to 14 days, 15 days to 30 days (One month)''Over one month and upto 2 months', and 'Over two months and upto 3 months' buckets depending upon the defeasance period proposed by the NBFC.
		(ii)	Shares classified as 'long term investments may be kept in over '5 years' time' bucket. However, the shares of the assisted units / companies acquired as part of the initial financing package, may be slotted in the relative time bucket keeping in view the pace of project implementation / time-overrun, etc., and the resultant likely timeframe for divesting such shares.
6.	Advances (performing)		
	a) Bill of Exchange and promissory notes discounted and rediscounted		As per the residual usance of the underlying bills.
	b) Term loans (rupee loans only)		The cash inflows on account of the interest and principal of the loan may be slotted in respective time buckets as per the timing of the cash flows as stipulated in the original / revised repayment schedule.
	c) Corporate loans / short term loans		As per the residual maturity
7.	Non-performing loans (May be shown net of the provisions, interest suspense held)		
	a) Sub-standard		
	i) All overdues and instalments of principal falling due during the next three years		In the 3 to 5 year time-bucket.
	ii) Entire principal amount due beyond the next three years		In the over 5 years' time-bucket
	b) Doubtful and loss		
	i) All instalments of principal falling due during the next five years as also all overdues		In the over 5 year time-bucket
	ii) Entire principal amount due beyond the next five years		In the over 5 year time-bucket
8.	Assets on lease		Cash flows from the lease transaction may be slotted in respective time buckets as per the timing of the cash flow.



	9.	Fixed assets (excluding leased assets)	In the 'over 5 year' time-bucket.
	10.	Other assets	
	(a)	Intangible assets and items not representing cash inflows.	In the 'over 5 year' time-bucket.
	(b)	(b) Other items (such as accrued income, other receivables, staff loans, etc.)	In respective maturity buckets as per the timing of the cashflows.
C.	Contingent liabilities		
	(a)	Letters of credit / guarantees (outflow through devolvement)	Based on the past trend analysis of the devolvement vis-a-vis the outstanding amount of guarantees (net of margins held), the likely devolvement shall be estimated and this amount could be distributed in various time buckets on judgmental basis. The assets created out of devolvement may be shown under respective maturity buckets on the basis of probable recovery dates.
	(b)	Loan commitments pending disbursal (outflow)	In the respective time buckets as per the sanctioned disbursement schedule.
	(c)	Lines of credit committed to / by other Institutions (outflow / inflow)	As per usance of the bills to be received under the lines of credit.

Note:

Any event-specific cash flows (e.g., outflow due to wage settlement arrears, capital expenses, income tax refunds, etc.) shall be shown in a time bucket corresponding to timing of such cash flows.

- (i) All overdue liabilities be shown in the 1 to 7 days and 8-14 days time buckets based on behavioural estimates
 - (ii) Overdue receivables on account of interest and instalments of standard loans / hire purchase assets / leased rentals shall be slotted as below:
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(i)	Overdue for less than one month.	In the 3 to 6 month bucket.
(ii)	Interest overdue for more than one month but less than seven months (i.e., before the relative amount becomes past due for six months)	In the 6 to 12 month bucket without reckoning the grace period of one month.
(iii)	Principal instalments overdue for 7 months but less than one year	In 1 to 3 year bucket.