Asset- Liability Management Policy
ACHIIEVERS FINANCE INDIA (P) LTD

Introduction

Achiievers Finance India (P) Ltd (AFIPL/ the Company), previously known as Instant Suppliers Pvt Ltd (ISPL), a company registered as systematically important non deposit taking NBFC with Reserve Bank of India, is predominantly engaged in the business of lending against house hold jewellery. AFIPL's funding consists of both short term and long term sources with different maturity patterns and varying rates of interest. Its assets are also varying duration and interest. Hence, maturity mismatches can occur which has an impact on the liquidity and profitability of the company. It is therefore necessary that AFIPL constantly monitor and manage its asset and liability in such a manner that asset liability mismatches remain within reasonable limits. This is also a statutory obligation as RBI as the regulating agency for NBFCs has stipulated that NBFCs should have an effective Asset-Liability Management (ALM) system as part of their overall system for effective risk management.

This Policy has been framed in accordance with the ALM framework as issued by the Reserve Bank of India ("RBI") vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 ("RBI Circular") read with Asset-Liability Management (ALM) System for NBFC guidelines vide Ref. No. DNBS (PD).CC.No.15 /02.01 / 2000-2001 June 27, 2001, Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies vide Circular No. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 and amendments thereon. The Board of Directors ("Board") of AFIPL, has adopted the following policy to establish guidelines to ensure prudent management of assets and liabilities.

Objective and Scope

This objective of this policy is to create an institutional mechanism to compute and monitor periodically the maturity pattern of the various liabilities and assets of AFIPL to (a) ascertain in percentage terms the nature and extent of mismatch in different maturity buckets, especially the 1-30/31days bucket, which would indicate the structural liquidity (b) the extent and nature of cumulative mismatch in different buckets indicative of short term dynamic liquidity and (c) the residual maturity pattern of reprising of assets and liabilities which would show the likely impact of movement of interest rate in either direction on profitability. This policy will guide the ALM system in AFIPL.

An efficient ALM needs (a) a good information system (b) a policy for the company setting limits for liquidity, interest rate (c) a Committee of Senior functionaries for ensuring adherence to the limits approved by the Board of Directors and (d) a well-defined process.

AFIPL, branches are networked under a core system and accurate, adequate and real-time information is available on a centralized basis.

Asset- Liability Management Co (ALCO): Asset- Liability Management will be overseen by a Committee consisting of the following officials for ensuring adherence to the policy approved by the Board as well as for deciding the business strategy of the company (on the assets and liabilities sides) in line with the company's budget and risk management objectives.

- Director
- Head Risk - Member representing Risk Management
- Head Operation & Finance - representing Finance and Accounts-Invitee
- Head IT - Representing IT department-Invitee

Quorum: The Chairman, one of the Executive Directors and one other member will constitute the quorum.

Process:

The scope of ALM function can be described as follows:

(i) Liquidity risk management
(ii) Management of market risks
(iii) Funding and capital planning
(iv) Profit planning and growth projection
(v) Forecasting and analyzing 'What if scenario' and preparation of contingency plans

(a) Liquidity Risk Management

"**Liquidity Risk**" means inability of the Company to meet such obligations as they become due without adversely affecting the Company's financial condition. Effective liquidity risk management helps ensure the Company's ability to meet its obligations as and when they fall due and reduces the probability of an adverse situation developing.

Measuring and managing liquidity needs are vital for effective operation. Liquidity management can reduce the probability of an adverse situation developing. AFIPL management shall measure not only the liquidity positions on an ongoing basis but also examine how liquidity requirements are likely to evolve under different assumptions. Experience shows that assets commonly considered as liquid, like Government securities and other money market instruments, could also become illiquid when the market and players are unidirectional. Therefore, liquidity has to be tracked through maturity or cash flow mismatches.

ALCO is responsible for determining the appropriate mix of available funding sources utilized to ensure Company liquidity is managed prudently and appropriately.

For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is to be adopted as a standard tool. The format of the **Statement of Structural Liquidity** is given in **Annexure**

The Maturity Profile as given in **Appendix A** would be used for measuring the future cash flows in different time buckets as under:

(i) 1 day to 30/31 days (One month)
(ii) Over one month and upto 2 months
(iii) Over two months and upto 3 months
(iv) Over 3 months and upto 6 months
(v) Over 6 months and upto 1 year
(vi) Over 1 year and upto 3 years
(vii) Over 3 years and upto 5 years
(viii) Over 5 years

Within each time bucket, there could be mismatches depending on cash inflows and outflows. While the mismatches up to one year would be relevant since these provide early warning signals of impending liquidity problems, the main focus should be on the short-term mismatches viz., 1-30/31 days. NBFCs, however, are expected to monitor their cumulative mismatches (running total) across all time buckets by establishing internal prudential limits with the approval of the Board. The mismatches (**negative gap**) during 1-30/31 days in normal course may not exceed 15% of the cash outflows in this time bucket. If an NBFC, in view of its current asset -liability profile and the consequential structural mismatches, needs higher tolerance level, it could operate with higher limit sanctioned by its Board giving specific reasons on the need for such higher limit.

Periodicity of Meeting: The Members will arrange for convening the meetings of ALCO once a month or as and when needed depending upon the necessity. Discussion paper covering the following areas will be deliberated by ALCO namely

- Liquidity risk management
- Management of market risk

- Funding and capital planning
- Profit planning and growth projection
- Forecasting and analyzing 'What if scenario' and preparation of contingency plans
- Minutes of the meeting will be prepared and preserved.

Liquidity Risk Management Policy, Strategies and Practices:

In order to ensure a sound and robust liquidity risk management system, the Board of AFIPL shall frame a liquidity risk management framework which ensures that it maintains sufficient liquidity, including a cushion of unencumbered, high quality liquid assets to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. It shall spell out the entity-level liquidity risk tolerance; funding strategies; prudential limits; system for measuring, assessing and reporting/ reviewing liquidity; framework for stress testing; liquidity planning under alternative scenarios/formal contingent funding plan; nature and frequency of management reporting; periodical review of assumptions used in liquidity projection etc.

ALCO will deliberate on the ability of AFIPL to meet its maturing liabilities as they become due and ensure against any adverse situation from developing. ALCO will review on an ongoing basis how the situation is likely to develop under different assumptions. For measuring and managing net funding requirements, ALCO will use a standard tool the maturity ladder and calculation of cumulative surplus at selected maturity dates. For this purpose, the templates ALM-1 and Annexure I will be made use of. ALCO will use the same time buckets suggested by RBI (shown below) for measuring the net funding needs.

i)1 day to 14 days
ii)14 days to 1 month
iii)Over 1 month to 2 months
iv)Over 2 months to 3 months
v)Over 3 months to 6 months
vi)Over 6 months to 1 year
vii)Over 1 year to 3 years
viii)Over 3 to 5 years
ix)Over 5 years

Reserve Bank of India has stipulated that the cash outflows in the 1-30/31 buckets should not normally exceed the cash inflows by more than 15%. Higher ceiling, for any special reason, need specific approval of the Board. As a prudent liquidity management measure, AFIPL will strive to restrict the negative mismatch in the 1-30/31 days bucket to a maximum of 10% of cash outflows.

ALCO will also deliberate on the estimated short term dynamic liquidity profile based on the business projections and other commitments and plans of the Company. The cumulative negative gap will be restricted to not more than 15% of the cash outflows.

Key elements of the liquidity risk management framework are as under:

i. Governance of Liquidity Risk Management

Successful implementation of any risk management process has to emanate from the top management with the demonstration of its strong commitment to integrate basic operations and strategic decision-making with risk management.

An organisational set up for liquidity risk management is as under:

a. Board of Directors;
b. Asset-Liability Management Committee (ALCO);
c. Asset Liability Management (ALM) Support Group

ii. Liquidity Risk Tolerance

The Company have a sound process for identifying, measuring, monitoring and controlling liquidity risk. Senior management develop the strategy to manage liquidity risk in accordance with risk tolerance and ensure that the Company maintains sufficient liquidity.

iii. Liquidity Costs, Benefits and Risks in the Internal Pricing

The Company endeavours to develop a process to quantify liquidity costs and benefits so that the same may be incorporated in the internal product pricing, performance measurement and new product approval process for all material business lines, products and activities.

iv. Off-balance Sheet Exposures and Contingent Liabilities

The process of identifying, measuring, monitoring and controlling liquidity risk should include a robust framework for comprehensively projecting cash flows arising from assets, liabilities and off-balance sheet items over an appropriate set of time horizons. The management of liquidity risks relating to certain off-balance sheet exposures on account of special purpose vehicles, financial derivatives and guarantees and commitments may be given particular importance due to the difficulties that many have in assessing the related liquidity risks that could materialise in times of stress.

v. Funding Strategy - Diversified Funding

AFIPL establish a funding strategy that provides effective diversification in the sources and tenor of funding. The Company regularly ascertains its capacity to raise funds quickly from each source. There should not be over-reliance on a single source of funding.

vi. Collateral Position Management

AFIPL actively manages its collateral positions, differentiating between encumbered and unencumbered assets. It monitors the legal entity and physical location where collateral is held and how it may be mobilised in a timely manner. Further, the Company also has sufficient collateral to meet expected and unexpected borrowing needs and potential increases in margin requirements over different timeframes.

vii. Stress Testing

Stress testing shall form an integral part of the overall governance and liquidity risk management culture in the Company. The Company conducts stress tests on a regular basis for a variety of short-term and specific and market-wide stress scenarios (individually and in combination). In designing liquidity stress scenarios, the nature of the Company's business, activities and vulnerabilities should be taken into consideration so that the scenarios incorporate the major funding and market liquidity risks to which the Company is exposed.

viii. Contingency Funding Plan

AFIPL formulates a Contingency Funding Plan (CFP) for responding to severe disruptions which might affect the Company's ability to fund some or all of its activities in a timely manner and at a reasonable cost. Contingency plans should contain details of available/ potential contingency funding sources and the amount/ estimated amount which can be drawn from these sources, clear escalation/ prioritisation procedures detailing when and how each of the actions can and should be activated, and the lead time needed to tap additional funds from each of the contingency sources.

ix. Public disclosure

The Company publicly discloses information (Appendix I) on a quarterly basis on the official website of the company and in the annual financial statement as notes to account that enables market participants to make an informed judgment about the soundness of its liquidity risk management framework and liquidity position.

x. Intra Group transfers

With a view to recognizing the likely increased risk arising due to Intra-Group transactions and exposures (ITEs), the Company develops and maintains liquidity management processes and funding programmes that are consistent with the complexity, risk profile, and scope of operations of the companies in the Group. The Group liquidity risk management processes and funding programmes are expected to take into account lending, investment, and other activities, and ensure that adequate liquidity is maintained at the head and each constituent entity within the group.

(b) Management Information System (MIS)

AFIPL has a reliable MIS designed to provide timely and forward-looking information on the liquidity position of the Company and the Group to the Board and ALCO, both under normal and stress situations. It should capture all sources of liquidity risk, including contingent risks and those arising from new activities, and have the ability to furnish more granular and time-sensitive information during stress events.

(c) Internal Controls

AFIPL has an appropriate internal controls, systems and procedures to ensure adherence to liquidity risk management policies and procedure.

(d) Maturity Profiling

For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is adopted as a standard tool. The Maturity Profile should be used for measuring the future cash flows in different time buckets.

The time buckets shall be distributed as under:

(i) 1 day to 7 days
(ii) 8 day to 14 days
(iii) 15 days to 30/31 days (One month)
(iv) Over one month and upto 2 months
(v) Over two months and upto 3 months
(vi) Over 3 months and upto 6 months
(vii) Over 6 months and upto 1 year
(viii) Over 1 year and upto 3 years
(ix) Over 3 years and upto 5 years

(x) Over 5 years

(e) Liquidity Risk Measurement – Stock Approach

The Company adopts a "stock" approach to liquidity risk measurement and monitor certain critical ratios in this regard by putting in place internally defined limits as approved by the Board. The ratios and the internal limits shall be based on the Company's liquidity risk management capabilities, experience and profile. An indicative list of certain critical ratios to monitor re short-term liability to total assets; short-term liability to long term assets; non-convertible debentures (NCDs) to total assets; short-term liabilities to total liabilities; long-term assets to total assets etc.

(f) Currency Risk:

Exchange rate volatility imparts a new dimension to the risk profile of the Company's balance sheets having foreign assets or liabilities. The Board should recognise the liquidity risk arising out of such exposures and develop suitable preparedness for managing the risk.

(g) Interest Rate Risk:

AFIPL manages interest rate risk as per the existing regulatory prescriptions.

(h) Liquidity Risk Monitoring Tools

The following tools shall be adopted by the Board for internal monitoring of liquidity requirements:

i. Concentration of Funding

To identify the significant sources of funding and withdrawal, which could trigger liquidity problems. Thus, it encourages diversification of funding sources and monitoring of each of the significant counterparty, significant product / instrument and significant currency.

ii. Available unencumbered Assets

It provides significant information on available unencumbered assets, which have the potential to be used as collateral to raise additional secured funding in secondary markets. It shall capture the details of the amount, type and location of available unencumbered assets that could serve as collateral for secured borrowing in secondary markets.

iii. Market Related Monitoring Tools

This includes high frequency market data that can serve as early warning indicators in monitoring potential liquidity difficulties at the Company.

The Board monitors on a monthly basis, the movements in their book-to-equity ratio and the coupon at which long term and short-term debts are raised by them. This also includes information on breach/penalty in respect of regulatory liquidity requirements, if any.

General

The classification of various components of assets and liabilities into different time buckets for preparation of Gap reports (Liquidity and Interest Rate Sensitivity) as indicated in Appendices I & II is the benchmark. AFIPL when better equipped to reasonably estimate the behavioral pattern of various components of assets and liabilities on the basis of past data / empirical studies will classify them in the appropriate time buckets, subject to approval from the ALCO / Board.

The present framework does not capture the impact of premature closure of deposits and prepayment of loans and advances on the liquidity and interest rate risks profile. The magnitude of premature withdrawal of deposits at times of volatility in market interest rates is quite substantial. AFIPL, therefore, should evolve suitable mechanism, supported by empirical studies and behavioral analysis to estimate the future behavior of assets, liabilities, and off-balance sheet items to changes in market variables and estimate the probabilities of options.

Review

This Policy will be reviewed by the Board annually and modified accordingly if there are any changes in the regulatory guidelines.

Encl.: Annexures as mentioned

Appendix-A

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. 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) Term deposits from public	As per the residual maturity.
b) Inter Corporate Deposits	These, being institutional/wholesale deposits, shall be slotted as per their residual maturity
c) Certificates of Deposit	As per the residual maturity.
5. Borrowings	
a) Term money borrowings	As per the residual maturity
b) From RBI, Govt. & others	-do-
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 behavioral analysis could also be made to assess the trend of out flows 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 30 /31-day time-bucket
2. Remittance in transit	---do---
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 in 1 to 30-day time 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)	"Over 5 years"
d) Non-mandatory unlisted securities having a fixed term maturity	As per residual maturity
e) Venture capital 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 open ended mutual funds and other investments.	(i) Shares classified as "current" investments representing trading book of the NBFC may be shown in time buckets of "1 day 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 NBFCs.
	(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)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 devolvements vis-à-vis the outstanding amount of guarantees (net of margins held), the likely devolvements shall be estimated and this amount could be distributed in various time buckets on judgmental basis. The assets created out of devolvements 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:

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

b) All overdue liabilities be shown in the 1 to 30/31 days time bucket.

c) Overdue receivables on account of interest and installments of standard loans / hire purchase assets / leased rentals should be slotted as below:

(i)	Overdue for less than one month.	In the 3 to 6 months bucket
5.	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 months bucket without reckoning the grace period of one month.
6.	Principal instalments overdue for 7 months but less than one year	In 1 to 3 years bucket.

d) Financing of gaps:

The negative gap (i.e. where outflows exceed inflows) in the 1 to 30/31 days time-bucket should not exceed the prudential limit of 15 % of outflows of each time-bucket and the cumulative gap upto the one-year period should not exceed 15% of the cumulative cash outflows upto one-year period. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit, should be shown by a footnote in the relative statement.

Appendix-B

Interest Rate Sensitivity

Heads of Accounts	**Rate sensitivity of time bucket**
LIABILITIES	
1. Capital, Reserves & Surplus	Non-sensitive
2. Gifts, grants & benefactions	-do-
3. Notes, bonds & debentures	
a) Floating rate	Sensitive; reprice on the roll- over/repricing date, shall be slotted in respective time buckets as per the repricing dates
b) Fixed rate (plain vanilla) including zero coupons	Sensitive; reprice on maturity. To be placed in respective time buckets as per the residual maturity of such instruments.
c) Instruments with embedded options	Sensitive; could reprice on the exercise date of the option particularly in rising interest rate scenario. To be placed in respective time buckets as per the next exercise date.
4. Deposits	
a) Deposits/Borrowings	
i) Fixed rate	Sensitive; could reprice on maturity or in case of premature withdrawal being permitted, after the lock-in period, if any, stipulated for such withdrawal. To be slotted in respective time buckets as per residual maturity or as per residual lock-in period, as the case may be. The prematurely withdrawable deposits with no lock-in period or past such lock-in period, shall be slotted in the earliest /shortest time bucket.
ii) Floating rate	Sensitive; reprice on the contractual roll-over date. To be slotted in the respective time buckets as per the next repricing date.
b) ICDs	Sensitive; reprice on maturity. To be slotted as per the residual maturity in the respective time buckets.
5. Borrowings	
a) Term-money borrowing	Sensitive; reprices on maturity. To be placed as per residual maturity in the relative time bucket.
b) Borrowings from others	
i) Fixed rate	Sensitive; reprice on maturity. To be placed as per residual maturity in the relative time bucket.
ii) Floating rate	Sensitive; reprice on the roll-over/ repricing date. To be placed as per residual period to the repricing date in the relative time bucket.
6. Current liabilities & provisions	
a. Sundry creditors	Non-Sensitive

b. Expenses payable c. Swap adjustment a/c. d. Advance income received/receipts from borrowers pending adjustment e. Interest payable on bonds/deposits f. Provisions	
7. Repos/ bills rediscounted/forex swaps (Sell / Buy)	Sensitive; reprices on maturity. To be placed as per the residual maturity in respective buckets.
ASSETS:	
1. Cash	Non-sensitive
2. Remittance in transit	Non-sensitive
3. Balances with banks in India	
a) In current a/c.	Non-sensitive
b) In deposit accounts, Money at call and short notice and other placements	Sensitive; reprices on maturity. To be placed as per residual maturity in respective time-buckets.
4. Investments	
a) Fixed income securities (e.g. govt. securities, zero coupon bonds, bonds, debentures, cumulative, non-cumulative, redeemable preference shares, etc.)	Sensitive on maturity. To be slotted as per residual maturity. However, the bonds/debentures valued by applying NPA norms due to non-servicing of interest, shall be shown, net of provisions made, in: i. 3-5 years bucket - if sub-std. norms applied. ii. Over 5 years bucket - if doubtful norms applied.
b) Floating rate securities	Sensitive; reprice on the next repricing date. To be slotted as per residual time to the repricing date.
c) Equity shares, convertible preference shares, shares of subsidiaries/joint ventures, venture capital units	Non-sensitive.
5. Advances (performing)	
a) Bills of exchange, promissory notes discounted & rediscounted	Sensitive on maturity. To be slotted as per the residual usance of the underlying bills
b) Term loans/corporate loans / Short Term Loans (rupee loans only)	
i) Fixed Rate	Sensitive on cash flow/ maturity.
ii) Floating Rate	Sensitive only when PLR or risk premium is changed by the NBFCs. The amount of term loans shall be slotted in time buckets which correspond to the time taken by NBFCs to effect changes in their PLR in response to market interest rates.
6. Non-performing loans: (net of provisions, interest suspense and claims received from ECGC)	

a. Sub-standard b. Doubtful and loss	To be slotted as indicated at item B.7 of Appendix -A
7. Assets on lease	The cash flows on lease assets are sensitive to changes in interest rates. The leased asset cash flows be slotted in the time-buckets as per timing of the cash flows.
8. Fixed assets (excluding assets on lease)	Non-sensitive
9. Other assets	
a) Intangible assets and items not representing cash flows.	Non-sensitive
b) Other items (e.g. accrued income, other receivables, staff loans, etc.)	Non-sensitive
10. Reverse Repos/Swaps (Buy /Sell) and Bills rediscounted (DUPN)	Sensitive on maturity. To be slotted as per residual maturity.
11. Other (interest rate) products	
a) Interest rate swaps	Sensitive; to be slotted as per residual maturity in respective time buckets
b) Other derivatives	To be classified suitably as and when introduced.