

AMBIUM FINSERVE LIMITED
(Formerly known as Ambium Finserve Private Limited)

POLICY ON RESOURCE PLANNING

Version 2

Document Versioning

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3	Version 3	Board of Directors	29 th May 2025

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I. INTRODUCTION AND BACKGROUND

Ambium Finserve Limited (Formerly Ambium Finserve Private Limited) (hereinafter referred to as “the Company” or “Ambium”) is a Non- Systemically Important Non-deposit taking Non-Banking Financial Company (NBFC-ND-NSI) duly registered with the Reserve Bank of India (RBI). Under the Scale Based Regulatory (SBR) Framework for NBFCs, the Company is categorized as a Base Layer NBFC based on its asset size.

The Company is engaged in the business of providing secured as well as unsecured business loans to the under-served individuals, households, and businesses and offer wholesale lending to other NBFCs and Financial Institutions and other Body Corporates (having an AUM of less than INR 5000 crores) to provide access to credit to under-served segment.

The Reserve Bank of India (RBI) vide its Master Direction - Non-Banking Financial Company – Non-systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time, has advised NBFCs to put in place a Board approved policy for resource planning which inter-alia, should cover the planning horizon and the periodicity of private placement.

II. OBJECTIVE AND SCOPE

The objective of this policy is to identify the salient features of various instruments for raising debt funds, planning with respect to raising funds including mix of short-term (tenure up to 1 year) and long-term financing (tenure more than 1 year), ensuring availability of adequate liquidity buffer, contingency funding plan and other matters connected therewith.

The scope of the Policy shall include a guidance on:

- i. Sources of Borrowing and Borrowing Mix (Long-term and Short-term)
- ii. Maintenance of liquidity buffer
- iii. Contingency funding arrangement

III. SOURCES OF BORROWING AND BORROWING MIX

The Company, being an NBFC, has access to the following instruments for raising long-term and short-term financing:

- **Borrowings from banks and other financial institutions** - The Company may plan for raising long-term resources from banks and financial institutions.
- **Issue of debt securities**
 - Public issue of Non-convertible Debentures (NCDs) - In order to diversify borrowing sources, the Company can issue NCDs by way of a public issue. The issues shall be in accordance with the

relevant guidelines issued by SEBI for public issuances.

- Private placement of NCDs - The company may, subject to the compliance with the applicable provisions of laws and regulations, issue Non- convertible Debentures (NCDs/Bonds) at such intervals by way of private placement.
- Inter-corporate deposits from corporates - The tenure of these deposits would be upto 2 years.
- Other capital market instruments, including but not limited to securitisation, commercials paper and direct assignment
- **Short-Term resources** - Facilities with maturity up to 12 months shall be treated as short-term resources. The main sources of such funds are cash credit facilities, short term loans / working capital demand loans from banks and commercial papers (CP). Depending on the ALM requirements, the Company may borrow funds from banks and other financial institutions / corporates from time to time and continue to issue commercial papers with maturity ranging from one month to 12 months.

The Company shall keep following key considerations in mind while raising long term resources:

- Tenure
- Cost of capital
- Leverage ratio
- Maturity profile
- Asset liability mismatches and the need to align the resource planning to the asset maturity profile, interest rate risk, etc.
- Applicable laws and regulations governing the issue of each specific debt instrument.

The ideal mix of resources for the Company and the resource mobilization program for each financial year shall be decided in advance and shall be properly defined in the business plan for each year. The mix of resources shall be mobilized in accordance with this Policy.

IV. MAINTENANCE OF LIQUIDITY BUFFER/ CONTINGENCY FUNDING

The Company shall maintain adequate funding lines with banks/financial institutions for availing loans at a shorter notice in case of any contingency. The Company shall ensure maintenance of adequate buffer to take care of unforeseen requirement of additional funds at a short notice. The Company will maintain such buffer in the form of high-quality liquid assets like bank deposits (free of lien)/ investments in liquid or overnight funds and/or Government securities which can be encashed immediately without any restrictions.

V. POLICY REVIEW AND COMPLIANCE WITH POLICY

The Board of Directors shall review this Policy annually or on a need-basis i.e., in the event of change in

regulatory framework or for business or operational need (whichever is earlier). Such updates / changes to the Policy will be communicated to the relevant staff /personnel (both in-house or outsourced) and relevant stakeholders across the Company.

Compliance with Policy:

For transactions undertaken, implementation of the principles of this Policy shall be maintained as follows:

- (i) the leading credit/risk associate shall be the maker for the conformity with the Policy;
- (ii) Post the maker review, any member of the Executive Committee of the Board of Directors, or any such person as may be authorized by the Board shall confirm the compliance with the Policy as checker