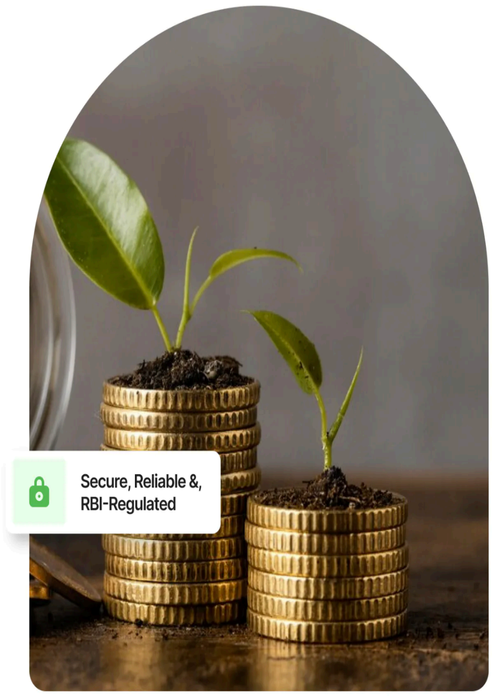
AMBIUM FINSERVE LIMITED
(FORMERLY AMBIUM FINSERVE PRIVATE LIMITED)

Empowering Businesses with Personalised Financial Solutions

Unlock opportunities with our personalised B2B loans, crafted to drive your business forward.



Policy on Credit/Investment Concentration Norms

Document Versioning

Name of the document	**Policy on Credit/Investment Concentration Norms**
Issuing Authority	Board of Directors
Effective date of the Policy	1st February 2024
Policy Owner	Chief Investment Officer
Last reviewed on	18th June 2026
Next review date	15 June 2027 if required

Version History

Version	Revision Summary	Approving Authority	Effective Date
0	Original	Board of Directors	1 June 2017
1	Version 1	Board of Directors	1st February 2024
2	Version 2	Board of Directors	29 May 2025
3	Version 3	Board of Directors	18th June 2026

Policy on Credit/Investment Concentration Norms

1. Objective:

For Ambium Finserve Limited ("the Company") to have an exposure limit on borrower and group level in line with RBI guidelines specified under Reserve Bank of India (Non-Banking Financial Companies - Concentration Risk Management) Directions, 2025, as amended ("Directions").

2. Policy Particulars:

The investment and credit exposure concentration limit does not apply to the Base Layer NBFC. However, in line with our prudent risk management approach, we have established the following concentration norms within our credit policy:

(i) Single borrower/party – 25% of Total assets

(ii) Single group of borrowers/parties – 40% of Total assets

Exposure will include both on and off-balance sheet exposures – on-balance sheet exposures are reckoned at the outstanding amount (netting is allowed only for assets where provisions for depreciation or for bad and doubtful debts have been made) and off-balance sheet exposures are converted into credit risk equivalent by applying the credit conversion factor prescribed under capital requirements.

Exposures shall offset with credit risk transfer instruments listed below:

a) Cash margin/caution money/security deposit held as collateral on behalf of the borrower against the advances for which right to set off is available.
b) Central Government guaranteed claims which attract zero (0) per cent risk weight for capital computation.
c) State Government guaranteed claims which attract 20 per cent risk weight for capital computation. To the extent that a State Government guarantee is used for offsetting exposures, the exposure shall shift to the State Government with applicable risk weight of 20 per cent. There shall be no cap for shifting of exposure on the State Government; and
d) Guarantees issued under the Credit Guarantee Schemes of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH) and individual schemes under National Credit Guarantee Trustee Company Ltd (NCGTC) subject to meeting the conditions specified under the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025., as amended from time to time.

Provided that to be eligible as a credit risk transfer instrument, guarantees in respect of paragraphs (b), (c) and (d) above shall be direct, explicit, irrevocable and unconditional.

These ceilings shall be applicable to the exposure by the Company to companies / firms / entities in its own group as well as to the borrowers / investee entity's group.

❖ **Review of and Compliance with Policy:**

This Policy shall be reviewed at such intervals as may be deemed necessary by the Board.

In case of any conflict between this Policy and the Directions, the Directions shall prevail.

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 the Checker.

END OF DOCUMENT

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