

# AQUILA FINANCE LIMITED

## Resource Mobilisation Policy

**AFL/POL/10/25-R004-03**

<b>History of the Document</b>	<b>Adopted by</b>	<b>Date of Adoption/Review</b>
Originally Adopted	Board of Directors	02-03-2014
Review & Amendment	Board of Directors	10-06-2023
Review	Board of Directors	01-04-2025
Review	Board of Directors	25-10-2025

### **1. TITLE AND COMMENCEMENT**

This document shall be known as the " Resource Mobilisation Policy " of Aquila Finance Limited (hereinafter "the Company"). It comes into effect immediately upon approval by the Board of Directors.

### **2. SCOPE AND COVERAGE**

This Framework governs all fund-raising activities and liability management undertaken by the Company. It applies to all existing funding sources and all future capital-raising initiatives.

### **3. PHILOSOPHY AND GOAL**

The primary objective of this Framework is to establish a structured and prudent approach to resource mobilisation. It aims to ensure the Company maintains optimal liquidity, a robust capital base, and cost-effective funding to support its strategic business objectives, including fixed asset investment and working capital requirements, while fully complying with all regulatory mandates.

### **4. REGULATORY COMPLIANCE**

This Framework is formulated in adherence with the guidelines issued by the Reserve Bank of India (RBI), particularly the Master Direction on "Raising of Money through Private Placement by NBFCs" and subsequent circulars, including the requirement for a Board-approved resource planning policy.

### **5. APPROVED FUNDING SOURCES**

The Company may mobilise resources through the following instruments and channels:

- \* **Equity Share Capital**
- \* **Preference Share Capital**
- \* **Non-Convertible Debentures (NCDs)**
- \* **Loans from Banks, Financial Institutions, and other NBFCs**
- \* **Commercial Paper (CP)**
- \* **Subordinated Debt**
- \* **Borrowings from Directors and Shareholders**
- \* **Inter-Corporate Deposits (ICDs) / Loans**

## **6. STRATEGIC FUNDING PLAN**

The Company's resource mobilisation activities shall be guided by a forward-looking plan derived from the annual business strategy. The Board will approve a projected funding requirement for each financial year, ensuring alignment with business growth and regulatory capital norms.

## **7. GUIDELINES FOR SPECIFIC INSTRUMENTS**

### **7.1 Equity & Preference Capital**

The Board is authorised to issue equity or preference shares to meet long-term capital needs and maintain the required Capital to Risk-Weighted Assets Ratio (CRAR). Instruments may be issued through rights issues, preferential allotments, private equity placements, or public offerings as deemed appropriate.

### **7.2 Non-Convertible Debentures (NCDs)**

The Company may issue secured or unsecured, listed or unlisted NCDs in compliance with the Companies Act, 2013, and RBI guidelines.

- **Retail Private Placement:** Unlisted NCDs may be issued to retail individual investors with a minimum application size of ₹20,000 and a maximum of ₹1 Crore per investor. The total number of subscribers in a financial year shall not exceed 200. Such issues will typically be secured by a charge on the Company's assets.
- **Institutional/High-Value Private Placement:** NCDs with a minimum subscription of ₹1 Crore may be issued to individuals or institutions. The terms of security for such issues will be specified in the offer document.
- **Tenure:** The maturity period for any NCD issuance shall be a minimum of 365 days and shall not exceed 10 years.

- **Issue Management:** Multiple series of NCDs may be issued, provided a new series with identical terms is not launched until the allotment for the preceding series is complete. The Company may also undertake public issues of listed debt securities.

### 7.3 Bank & Institutional Credit

The Company may avail of term loans, working capital lines, and other credit facilities from financial institutions. Security for such facilities may include a charge over loan receivables, other movable assets, or immovable property, as mutually agreed.

### 7.4 Commercial Paper (CP)

The Company may utilise the Commercial Paper route for raising short-term resources to manage temporary liquidity requirements, subject to eligibility.

### 7.5 Subordinated Debt

Resources may be raised through subordinated debt instruments, which qualify as Tier-II capital, with a minimum maturity period of 5 years. The minimum subscription amount shall be 5000, with the maximum limit adhering to prevailing RBI regulations.

### 7.6 Director, Share Holders & Inter-Corporate Borrowings

Loans may be accepted from Directors, Share Holders and other corporate entities. The interest rate on such borrowings shall not exceed the rate offered on NCDs or subordinated debt of comparable maturity. Appropriate security may be provided where required.

## **8. SECURITY AND COLLATERAL MANAGEMENT**

The Company may create security in favour of lenders through charges on its assets. Such charges may be structured as pari-passu (equal ranking) among a group of lenders or as an exclusive charge for a specific facility, based on the terms of the agreement.

## **9. ASSET-LIABILITY MANAGEMENT (ALM)**

The Company shall diligently manage the maturity profile of its liabilities to ensure they are aligned with the tenure of its assets. This proactive ALM is critical for maintaining liquidity and mitigating refinancing risk.

## **10. DELEGATION OF POWERS**

The Board of Directors holds the ultimate authority for borrowing, as per the Companies Act, 2013. The Board may delegate these powers to a Committee of Directors, specific directors, or senior management officials. Actions taken under such delegated authority in good faith shall be binding on the Company.

## **11. SEVERABILITY CLAUSE**

If any provision of this Framework is rendered invalid or unenforceable by a judicial or regulatory authority, the validity and enforceability of the remaining provisions shall remain unaffected.

## **12. INTERPRETATION**

In this Framework, unless the context requires otherwise, words in the singular include the plural and vice-versa, and words in one gender include all other genders.

## **13. REVIEW AND AMENDMENT**

This Framework shall be reviewed by the Board at least once every two years, or more frequently in response to significant regulatory or business changes. The Board reserves the right to amend, modify, or withdraw any part of this policy through a formal resolution. Any actions taken under the policy prior to such changes shall remain valid.

**BY THE ORDER OF THE BOARD OF DIRECTORS**

**For AQUILA FINANCE LIMITED**