

Policy of prudential exposures norms

For the Year 2025-26

The Composition of different segment has been fixed under a policy of prudential exposures norms. The Company classifies the loans in two category one loan above 20.00 lac second loan below 20 lacs. The company will keep the overall limit of 25 percent of loan (AUM) under category one and 75 percent of loan under second category i.e loan up to 20.0 lacs.

The board has decided to keep a CAP on overall large loans:

(A) Large category loans (20 lac and above) collaterally Secured by realisable assets along with hypothecation of goods created by our loan, Maximum exposure limit will 10 percent of loan outstanding (AUM) at any point of time,

(B) Large loan secured by hypothecation of goods created by company's loan without additional collateral except personal guarantee of competent person/s (Having NMs double of Loan amount max exposure limit up to 15 percent of loan outstanding of AUM at any point of time within the overall limit of large (20 lac and above) loans i.e 25 percent.

Vehicle financing remains our main business in last 20 years, DMFL is financing all vehicle in both major categories like LMV and HMV. Company has a large team of experts of vehicle finance. The cap on vehicle finance are covered under different category like large loan segment (category secured by collateral and not supported by collateral along with small loans). The company will keep overall cap on small loans maximum up to 40 percent.

Agriculture loan up to 2.00 lacs duly secured by hypothecation of assets, created by our loan and personal guarantee, Maximum 15 percent of loan outstanding (AUM) at any point of time, Agriculture loan above 2.00 lacs duly secured by hypothecation of assets, created by our loan and collaterally secured by assets or personal guarantee, Maximum 10 percent of loan outstanding (AUM) at any time.

Business loan under the category below 20.00 lacs including vehicle loan, maximum loan amount up to 10.00 secured by hypothecation of goods created by our loan and secured by personal guarantee etc. Out of this category loans up to 5.00 lacs may be granted without additional collateral security i.e only secured by hypothecation of good created by our loan maximum limit will be 30 percent of AUM at any point of time.

SME including vehicle loan loans up to 5.00 lacs secured by hypothecation of goods and secured by the personal guarantee, maximum limit will be up to 30 percent of AUM at any time.

The small productive loans including production loan consumption loan duly secured by collateral or competent personal guarantee (Having NMs minimum double the loan amount) the overall limit maximum up to 50 percent of AUM.

Out of which SME /Small business/Vehicle/ E- vehicle productive loans and consumption loan up to 2.00 lacs, duly secured by personal guarantees, maximum limit will be up to 50 percent of AUM.

The company also making finance to the poor section of the society, the loans under micro finance category (other than consumption loan), secured by the hypothecation of goods purchased by our loan, the maximum exposure limit under this segment exposure limit will be max 24 percent of AUM as on last date of last quarter.

Further it is approved by the board that no loan exposure to any individual or group will not be sanctioned beyond 5 percent of free capital of the company without the specific sanction of the board,

if the loan is full secured by the liquid assets the loan beyond 5.0 percent of our free capital may be considered by the competent credit committee.

All the loans are subject to annual review. Keeping in view the business planning board may shift or change the respective limits.

Any variation in prescribed limits will be assessed in end of each category and be submitted before board for confirmation if required.

For **Dhara Motor Finance Limited**

Sd/-
Gajendra Singh
Managing Director

Sd/-
Bhupendra Singh
Whole Time Director