

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

## KEY INFORMATION DOCUMENT



### AKARA CAPITAL ADVISORS PRIVATE LIMITED

("Issuer" / "Company")

A private limited company incorporated and validly existing under the Companies Act, 2013.

CIN: U74110DL2016PTC290970

Date and Place of Incorporation: 11<sup>th</sup> February 2016, New Delhi, India

Certificate of Registration issued by Reserve Bank of India: 290970

Registered Office: 60, Third Floor, Arjun Nagar, Kotla Mubarak Pur, New Delhi – 110003

Corporate Office: Unit Nos.1801-1805, 1806A, 1806B, 1807A, 1807B and 1815, 18th Floor, Magnum Global Park 2, Golf Course Extension Road, Sector 58, Gurgaon-122011

Telephone No: 9643309883, Website: [www.akaracap.com](http://www.akaracap.com), Email: [cofficer@akaracap.com](mailto:cofficer@akaracap.com)

Compliance Officer: Mr. Simarjeet Singh, Contact details of Compliance Officer: Tel: 9582456496;  
Email: [simarjeet.singh@stashfin.com](mailto:simarjeet.singh@stashfin.com)

Company Secretary: Mr. Simarjeet Singh, Contact details of Company Secretary: Tel: 9582456496  
Email: [simarjeet.singh@stashfin.com](mailto:simarjeet.singh@stashfin.com)

Chief Financial Officer: Mr. Pankaj Kumar, Contact details of Chief Financial Officer: Tel: 9643309883  
Email: [pankaj.kumar@stashfin.com](mailto:pankaj.kumar@stashfin.com)

Promoter(s): Morus Technologies Pte Ltd, Contact details of Promoter(s): Tel: 9643309883; Email: [accounts@stashfin.com](mailto:accounts@stashfin.com)

Key Information Document for issue of Debentures on a private placement basis dated: 11 February, 2025

**ISSUE OF UP TO 3500 (THREE THOUSAND FIVE HUNDRED) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) ( "NCDS"/ "DEBENTURE(S)") COMPRISING OF (I) A BASE ISSUE OF OF 2000 (TWO THOUSAND) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 20,00,00,000/- (INDIAN RUPEES TWENTY CRORES ONLY) AND (II) A GREEN SHOE OPTION OF UP TO 1500 (ONE THOUSAND FIVE HUNDRED) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 15,00,00,000/- (INDIAN RUPEES FIFTEEN CRORES ONLY) ("GREEN SHOE OPTION") IN A DEMATERIALIZED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY AKARA CAPITAL ADVISORS PRIVATE LIMITED (THE "COMPANY") OR ("ISSUER").**




**A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY AKARA CAPITAL ADVISORS PRIVATE LIMITED (THE "COMPANY") OR ("ISSUER").**

**This Key Information Document shall be read in conjunction with the General Information Document dated August 02, 2024 bearing with Ref No. AKAR/2024-25/SEC/165.**

### **PART A: DISCLOSURES AS PER SEBI NCS Regulations:**

Please see below the disclosures as required under the terms of the SEBI NCS Regulations (as defined below):

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S. No.	Particulars	Relevant Disclosure
1.	<b>Details of debenture trustee for the Issue:</b>	<p>Name: Beacon Trusteeship Limited Address: 5W, 5th Floor, The Metropolitan, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra, India, 400051 Logo:    Telephone Number: 022-46060278 Email address: <a href="mailto:compliance@beacontrustee.co.in">compliance@beacontrustee.co.in</a> Contact person: Mr. Kaustubh Kulkarni</p>
2.	<b>Details of credit Rating Agent for the Issue:</b>	<p>Name: ICRA Analytics Limited Address: 17<sup>th</sup> Floor, Plot G-1, Infinity Benchmark, Block GP, Sector V, Salt Lake, Kolkata, West Bengal - 700091 Logo:    Telephone Number: +91-22-61796300 Email address: <a href="mailto:ashwini.kumar@icraanalytics.com">ashwini.kumar@icraanalytics.com</a> Contact person: Mr. Ashwini Kumar</p>
3.	<b>Details of Registrar to the Issue:</b>	<p>Name: Bigshare Services Private Limited Address: 1<sup>st</sup> Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059 Logo:    Telephone Number: 022 6263 8200 Fax number: NA Website: <a href="https://www.bigshareonline.com/">https://www.bigshareonline.com/</a> Email address: <a href="mailto:mukesh@bigshareonline.com">mukesh@bigshareonline.com</a></p>
4.	<b>Statutory Auditor</b>	<p>Logo: Not Applicable Name: Serva Associates, Chartered Accountants Address: 011-1014, 10th Floor, R G Trade Tower, Netaji Subhash Place, Pitampura, Delhi - 110034 Website: <a href="http://www.servain.in">www.servain.in</a> Email address: <a href="mailto:info@servamail.in">info@servamail.in</a> Telephone Number: +919999099891 Contact Person: Mr. Nitin Jain, Partner Peer Review no.: 015024</p>
5.	<b>Date of Key Information Document</b>	11 February, 2025
6.	<b>Type of Key Information Document</b>	This Key Information Document is being issued in relation to the private placement issue of Debentures.
7.	<b>The nature, number, price and amount of</b>	Issue of up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value

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S. No.	Particulars	Relevant Disclosure
	<b>securities offered and issue size (base issue or green shoe), as may be applicable</b>	of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) (" <b>Debentures</b> ") <b>Base Issue:</b> 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only); <b>Green shoe option:</b> Up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only) (" <b>Green Shoe Option</b> ")
8.	<b>The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus (applicable only in case of public issuance);</b>	Not Applicable
9.	<b>Issue Schedule</b>	Date of opening of the Issue: 13 February 2025 Date of closing of the Issue: 13 February 2025 Date of earliest closing of the Issue (if any): NA Pay-in date: 14 February 2025 Allotment Date: 14 February 2025
10.	<b>Credit Rating of the Issue</b>	The Rating Agent has vide its letter dated 09 <sup>th</sup> August 2024 and rating rationale and its press release dated 04 <sup>th</sup> July 2023 assigned a rating of "[ICRA BBB (Stable)]" (pronounced as "ICRA triple B outlook stable") in respect of the Debentures. Please refer to Annexure II of this General Information Document for the credit rating letter and rating rationale received from the Rating Agent assigning the credit rating abovementioned and the press release by the Rating Agent in this respect. Link for the press release: <a href="https://www.icra.in/Rationale/ShowRationaleReport?Id=120808">https://www.icra.in/Rationale/ShowRationaleReport?Id=120808</a>  Also, attached latest NCD revalidation letter dated 15 January 2025
11.	<b>All the ratings obtained for the private placement of Issue</b>	Please refer to S.no 12 ( <i>Credit Rating of the Issue</i> ) above. No other ratings have been obtained for the purposes of this Issue.
12.	<b>The name(s) of the stock exchanges where the securities are proposed to be</b>	The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited (" <b>BSE</b> "). Please refer to <b>Annexure VII</b> ( <i>In-Principle approval received from BSE</i> ) of the General Information Document for the in-principle approval for listing obtained from BSE) in relation to the General Information Document as issued by the Issuer.

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S. No.	Particulars	Relevant Disclosure
	<b>listed, subject to change</b>	BSE shall be the 'Designated Stock Exchange' for the purpose of maintenance of the recovery expense fund prescribed by SEBI under the SEBI Debenture Trustees Circular, as may be amended from time to time.
13.	<b>The details about eligible investors;</b>	<p>The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("<b>Eligible Investors</b>"):</p> <ul style="list-style-type: none"> <li>(a) Body Corporates;</li> <li>(b) Resident Individuals;</li> <li>(c) Family Offices;</li> <li>(d) Non-Banking Finance Companies; and</li> <li>(e) Alternative Investment Funds.</li> </ul> <p>All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.</p> <p><b>Note:</b> Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.</p>
14.	<b>Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee</b>	<p>In respect of the coupon rate, the coupon payment frequency, the redemption date and redemption amount in respect of the Debentures, please refer to Section 3.15 (<i>Issue Details</i>) of this Key Information Document.</p> <p>The details of Debenture Trustee are provided under S. No. 1 of this table above.</p>
15.	<b>Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:</b>	Not applicable.
16.	<b>Electronic Book Provider Platform</b>	The Issue shall be made through the EBP platform in compliance with SEBI NCS Regulation read with Listed NCDs Master Circular for details refer to SECTION 4 (Other Information and Application Process) of this Key Information Document.
17.	<b>Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading</b>	This Issue, offer and subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI and BSE under the EBP Guidelines (as defined below) by placing bids on the EBP Platform during the period of the Issue. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines (as defined below) are set out hereinbelow:



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	the Key Information Document on the Electronic Book Provider Platform, if applicable.	<p><b>Details of size of the Issue including green shoe option, if any</b></p> <p><b>Total Issue:</b> Issue of up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) ("<b>Debentures</b>")</p> <p><b>Base Issue:</b> 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only)</p> <p><b>Green Shoe Option:</b> up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only)</p> <p><b>Anchor Portion Details</b> No</p> <p><b>Interest rate parameter</b> Fixed Coupon</p> <p><b>Bid opening and closing date</b> Bid opening date: 13 February 2025 Bid closing date: 13 February 2025</p> <p><b>Minimum Bid lot</b> INR 1,00,00,000/- (Rupees One Crore Only) and in multiples of INR 1,00,000/- (Rupees One Lakh Only) thereafter</p> <p><b>Manner of bidding in the Issue/ Bid Type</b> Closed</p> <p><b>Manner of allotment in the Issue</b> Uniform Yield Allotment</p> <p><b>Manner of settlement in the Issue</b> Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.</p> <p><b>Settlement cycle &amp; Deemed Date of Allotment</b> T+1 (T being the day of bidding as per working day convention of recognized stock exchanges) Settlement of the Issue will be on 14 February 2025.</p>

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S. No.	Particulars	Relevant Disclosure
18.	<b>Specific declaration requested by BSE: non-equity regulatory capital</b>	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI NCS Regulations.
19.	<b>Disclosure of filing</b>	Given this is a private placement of non-convertible securities, there shall be no requirement of filing the same with the Registrar of Companies pursuant to the Section 26(4) of the Companies Act, 2013.
20.	<b>Reissuance of Debentures</b>	The Issuer reserves the right to make multiple issuances under the same ISIN. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be.

Background
<p>This Key Information Document (as defined below) is related to the issue of up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) ("<b>Debentures</b>") comprising of a base issue of 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only) and a green shoe option of up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only) ("<b>Green Shoe Option</b>") issued in a dematerialised form on a private placement basis to be issued by <b>Akara Capital Advisors Private Limited</b> (the "<b>Issuer</b>" or "<b>Company</b>") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures and must be read along with the General Information Document issued by the Issuer. The issue of the Debentures comprised in the Issue and described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer under Section 180(1)(a) and Section 180(1)(c) of the Act on November 14, 2024, and the Board of Directors of the Issuer on 11 February 2025, and Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders under Section 42 of the Act dated May 10, 2023, in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 35,00,00,000/- (Indian Rupees Thirty Five crores Only). The present issue of Debentures in terms of this Key Information Document is within the limits as prescribed in such relevant resolution.</p> <p><b>THIS KEY INFORMATION DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED UNDER THE ISSUE.</b></p> <p><b>THIS KEY INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/39 DATED 09<sup>TH</sup> AUGUST 2021, AS AMENDED AND RESTATED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND</b></p>

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**EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 DATED MAY 22, 2024, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS. THIS KEY INFORMATION DOCUMENT SHALL BE READ IN CONJUNCTION WITH THE GENERAL INFORMATION DOCUMENT DATED AUGUST 02, 2024.**

Particulars	Date
Issue Opening Date	13 February 2025
Issue Closing Date	13 February 2025
Pay in Date	14 February 2025
Deemed Date of Allotment	14 February 2025

#### Listing

The Debentures are proposed to be listed on the wholesale debt market of the BSE. The Issuer has obtained an in-principle approval in relation to the General Information Document from the Stock Exchange on 02nd August 2024.

The Issuer, with prior notice to the Debenture Trustee, may get the Debentures listed on other material stock exchanges as it deems fit. The Issuer shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis.

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## SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires and if not otherwise defined in the General Information Document, the following terms shall have the meanings given below in this Key Information Document.

<b>Business Day</b>	<p>means any day (other than a Sunday) on which money market institutions and scheduled commercial banks are open for general business in New Delhi, India.</p> <p>Additionally, the day on which payment of interest/redemption with respect to debt securities falls due, it has been decided that interest / redemption payments shall be made only on the days when the money market is functioning in New Delhi, India.</p> <p>“Business Days” shall be construed accordingly.</p>
<b>Client Protection Claim</b>	means any claim, proceeding or investigation by a person in respect of any Client Protection Laws.
<b>Client Protection Laws</b>	means any laws, rules or regulations applicable to the Issuer as a non-banking finance company or otherwise concerning consumer protection matters.
<b>Conditions Precedent</b>	means the conditions precedent set out under the heading in Section 3.15 ( <i>Issue Details</i> ) of this Key Information Document.
<b>Conditions Subsequent</b>	Means the conditions subsequent set out in Section 3.15 ( <i>Issue Details</i> ) of this Key Information Document.
<b>Debenture Trust Deed</b>	means the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer on or around the date of this Key Information Document which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
<b>Debenture Trustee</b>	<p>Beacon Trusteeship Limited. A copy of the consent letter has been annexed hereto in <b>Annexure II</b> of this Key Information Document. The fees of the Debenture Trustee shall be as disclosed under <b>Annexure II</b>.</p> <p>Further, a copy of the due diligence certificate is set out in <b>Annexure VII</b> of this Key Information Document hereto.</p>
<b>Debenture Trustee Agreement</b>	means the agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures dated 11 February 2025 shall be annexed as Annexure XI.
<b>Debentures</b>	<p>Issue of up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) (“<b>Debentures</b>”) comprising of:</p> <ol style="list-style-type: none"> <li>a base issue of 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value</li> </ol>

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	<p>of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only) and</p> <p>ii. a green shoe option of up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only) ("<b>Green Shoe Option</b>")</p>
<b>Deed of Hypothecation</b>	shall mean the unattested deed of hypothecation to create a first ranking, exclusive, and continuing charge over the Hypothecated Assets, to be executed between the Issuer and the Debenture Trustee on or around the date of this Key Information Document to secure the Secured Obligations in relation to the Debentures.
<b>Deemed Date of Allotment</b>	shall mean the date on which the Debentures shall have been deemed to be allotted to the Debenture Holders being 14 February 2025.
<b>EBP Guidelines</b>	means the requirements with respect to electronic book mechanism prescribed in Chapter VI (Electronic Book Provider platform) of the Listed NCDs Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be restated, amended, modified or updated from time to time.
<b>EBP Platform/ EBP</b>	Means web based electronic booking platform for private placement of securities under the EBP Guidelines.
<b>Eligibility Criteria</b>	<p>The identified receivables forming part of the Hypothecated Assets must fulfill the following eligibility criteria.</p> <ol style="list-style-type: none"> <li>Each Receivable(s) comprising the Hypothecated Asset must be a Loan originated by the Company and has not been purchased from the third party.</li> <li>The hypothecated Loans forming part of the Hypothecated Assets must have been originated while complying with all the extant 'know your customer' norms specified by the RBI;</li> <li>The hypothecated Loans must be current and not overdue at the time of inclusion in the Hypothecated Assets and should not have been terminated or prepaid;</li> <li>the Loans constituting the Hypothecated Assets are existing at the time of selection and have not been terminated or pre-paid;</li> <li>The Loans constituting the Hypothecated Assets shall be unencumbered and no security interest of any kind shall exist over them except in accordance with the Transaction Documents;</li> <li>Loans constituting the Hypothecated Assets must be loans directly originated by the Borrower and not loans purchased from a third party;</li> <li>Commencing from the expiry of the portfolio origination period, the security cover shall comprise Loans originated post the date of the drawdown;</li> <li>No Loans should be restructured or rescheduled;</li> </ol>

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	<ul style="list-style-type: none"> <li>i. Each Loan constituting the Hypothecated Assets should have been fully disbursed;</li> <li>j. Each Loan must be existing at the time of hypothecation;</li> <li>k. Loans constituting the Hypothecated Assets must have been given to individual borrowers as personal loans;</li> <li>l. Loan constituting the Hypothecated Assetss must be unencumbered (other than under the Transaction Documents) and not sold or assigned by the Company;</li> <li>m. All Loans constituting the Hypothecated Assets must be “standard” as per RBI Guidelines.</li> </ul>
<b>Eligible Investors</b>	has the meaning given to it under Section 4.4 of the Key Information Document.
<b>Events of Default</b>	means the events of default set out in Section 3.15 ( <i>Issue Details</i> ) of this Key Information Document, and “Event of Default” shall be construed accordingly.
<b>Redemption Date</b>	means the redemption date as set out in ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS.
<b>Financial Indebtedness</b>	<p>shall mean in relation to any Person any indebtedness of such Person for or in respect of:</p> <ul style="list-style-type: none"> <li>(a) moneys borrowed;</li> <li>(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;</li> <li>(c) any amount raised by acceptance of vendor bill discounting facility, receivables bill discounting or dematerialised equivalent;</li> <li>(d) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument including any accrued interest or redemption premium thereon;</li> <li>(e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease;</li> <li>(f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);</li> <li>(g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, including on any other direct or indirect or secured or unsecured recourse basis;</li> <li>(h) shares which are expressed to be redeemable, or any shares or instruments convertible into shares, or any shares or other securities, in each case which are otherwise the subject of a put option or call option or any form of guarantee;</li> <li>(i) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</li> </ul>



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	<p>(j) any amount of any liability under any advanced or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance;</p> <p>(k) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and</p> <p>(l) the amount of any liability in respect of any indemnity (without double counting) for any of the items referred to in paragraphs (a) to (k) above.</p>
<b>General Information Document</b>	means the General Information Document issued by the Issuer dated 02 <sup>nd</sup> August 2024 for the purpose of issue of the non-convertible securities on a private placement basis in accordance with Applicable Laws.
<b>Corporate Guarantor</b>	Not Applicable
<b>Hypothecated Assets</b>	has the meaning given to it in the Section 3.15 ( <i>Issue Details</i> ).
<b>ICRA</b>	shall mean ICRA Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L74999DL1991PLC042749 and its registered office at B-710, Statesman House 148, Barakhamba Road, New Delhi - 110001, India.
<b>Interest Payment Dates</b>	means the payment dates as specified in <b>Annexure IV</b> of this Key Information Document.
<b>Interest Rate/Coupon Rate</b>	Fixed interest at 12.00% (twelve-point zero zero percent) per annum payable monthly from the Deemed Date of Allotment
<b>Issue</b>	means the private placement of the Debentures.
<b>Issue Closing Date</b>	13 February 2025
<b>Issue Opening Date</b>	13 February 2025
<b>Key Information Document</b>	means this key information document dated 11 February 2025 supplementing the General Information Document which sets out the terms and conditions for the issue and offer of the Debentures by the Issuer on a private placement basis and contains the relevant information in this respect.
<b>Majority Holders Debenture</b>	means such number of Debenture Holders collectively holding more than 51% (Fifty one percent) of the value of the Outstanding Principal Amounts of the Debentures.
<b>Material Adverse Effect</b>	means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as on the date of determination, or could reasonably be expected to cause a material and adverse effect on: (i) the financial condition, business or operation of the Company which is prejudicial to the ability of the Company to perform its obligations under the Transaction Documents; (ii) the rights or remedies of the Debenture Holders hereunder or under any other Transaction Documents; (iii) the financial condition, business or operation of the Company which is prejudicial to the ability of the Company or any guarantor(s) to perform its respective obligations under the Transaction Documents; or (iv) the ability of the Company or any guarantor(s)

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	to disburse new loans or from appointing third party or in house collection teams; or (v) the legality, validity or enforceability of any of the Transaction Documents.
<b>Monthly Hypothecated Asset Report</b>	has the meaning ascribed in the Deed of Hypothecation.
<b>Net Worth</b>	has the meaning given to it in the Act.
<b>Outstanding Amounts</b>	shall mean the Coupon, Default Interest, if any, additional interest, liquidated damages (if any) payable in relation to the Debentures, costs, indemnities, charges, expenses, fees (including the remuneration and expenses of the Debenture Trustee, Rating Agent and the Receiver, attorneys etc. and), all taxes, levies, cess including stamp duty and any/all other reasonable amounts, costs, charges due and payable by the Issuer under the Transaction Documents.
<b>Outstanding Principal Amount</b>	means, at any date, the principal amount outstanding under the Debentures.
<b>Payment Default</b>	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under paragraph (i) under the section named "Events of Default" under Section 3.15 ( <i>Issue Details</i> ) of this Key Information Document.
<b>Private Placement Offer cum Application Letter/PPOAL</b>	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
<b>Purpose</b>	means towards the onward lending purposes by the Issuer.
<b>Rating</b>	ICRA BBB (Stable) assigned by the Rating Agent.
<b>Rating Agent</b>	means ICRA Limited, having its registered office at B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001, India or such other rating agency as acceptable to the Debenture Trustee/ Debenture Holders.
<b>Record Date</b>	The date which is 15 (fifteen) calendar days prior to the Final Redemption date or Early Redemption date or interest payment date, as the case may be, on which the determination of the persons entitled to receive Redemption Amount including any/ interest amount, as the case may be, in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or NSDL or CDSL records) shall be made.
<b>Redemption Date/ Final Redemption Date</b>	means each of the final Redemption Date and the dates on which a Redemption Payment is required to be made as more particularly set out in <b>Annexure IV</b> this Key Information Document.
<b>Redemption Payment</b>	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Dates (including the Final Redemption Date) or any other date in accordance with the Debenture Trust Deed.
<b>Register of Beneficial Owners</b>	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
<b>R&amp;T Agent/Registrar</b>	shall mean Bigshare Services Private Limited, a company incorporated and validly existing under the Companies Act, 2013 with corporate identification number U99999MH1994PTC076534 and having its registered office at 1 <sup>st</sup>

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	Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059, Maharashtra, India
<b>Secured Obligations</b>	shall mean the aggregate of the Outstanding Amounts and the Redemption Amounts.
<b>SEBI Listed NCD Master Circular or Listed NCDs Master Circular</b>	means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 " <i>Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper</i> ", as amended, modified, supplemented or restated from time to time;
<b>SEBI Debenture Trustee Master Circular/ Master Circular for Debenture Trustee</b>	means the SEBI circular bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 on " <i>Master Circular for Debenture Trustees</i> ", as amended, modified, supplemented or restated from time to time.
<b>SEBI NCS Listing Regulations</b>	means the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, modified, supplemented or restated from time to time.
<b>SEBI Listed Debentures and Regulations means</b>	means collectively, Master Circular for Debenture Trustee, the Listed NCDs Master Circular, SEBI NCS Regulations and the LODR Regulations (to the extent applicable).
<b>SEBI Merchant Banker Regulations</b>	means the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time.
<b>SEBI Reduction in Denomination of Debt Securities Circular</b>	means the SEBI circular bearing reference number SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/94 dated July 03, 2024 on " <i>Reduction in denomination of debt securities and non-convertible redeemable preference shares</i> ", as amended, modified, supplemented or restated from time to time.
<b>Security Cover</b>	has the meaning given to it in the Section 3.15 ( <i>Issue Details</i> ) of this Key Information Document.
<b>Stock Exchange</b>	shall mean BSE Limited.
<b>Tangible Net Worth</b>	shall mean, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible preference share capital, compulsorily convertible debentures and any amount standing to the credit of its reserves, less equity or equity-like investments. goodwill, deferred tax assets and other intangible assets.
<b>Tier II Capital</b>	has the meaning given to it in the NBFC Directions.
<b>Transaction Documents</b>	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 3.15 ( <i>Issue Details</i> ) of this Key Information Document.
<b>Transaction Security</b>	has the meaning given to it in the Section 3.15 ( <i>Issue Details</i> ).
<b>WDM</b>	Wholesale Debt Market segment of the BSE.
<b>Wilful Defaulter</b>	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an

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	issuer whose director or promoter is categorized as such.
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## SECTION 2: DISCLAIMERS

Please refer to Section 2 (*NOTICE TO INVESTORS AND DISCLAIMERS*) of the General Information Document for the disclaimers in respect of the issuance of Debentures.

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### DISCLAIMER BY SEBI

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THE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY SEBI NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY THIS GENERAL INFORMATION DOCUMENT. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER(S) HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

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### SECTION 3: REGULATORY DISCLOSURES AND DISCLAIMERS


#### 3.1 Expenses of the issue:

Particulars of expenses	Amount	Percentage of total expenses	Percentage of total issue size
Lead Manager Fees	NA	NA	•NA
Underwriting Commission	NA	NA	NA
Brokerage, selling commission and upload fees	NA	NA	NA
Fees payable to the registrar to the issue	21,500	6.03%	0.011%
Fees payable to the legal advisors	1,15,000	32.27%	0.058%
Advertising and marketing expenses	NA	NA	NA
Fees payable to the regulators including stock exchange	94,825	26.61%	0.047%
Expenses incurred on printing and distribution of issue stationary	NA	NA	NA
Any other fees, commission or payments under whatsoever nomenclature	NA	NA	NA
Fees Payable to Debenture Trustee	1,25,000	35.08%	0.063%

#### 3.2 Issue schedule

PARTICULARS	DATE
Issue Opening Date	13 February 2025
Issue Closing Date	13 February 2025
Pay In Date	14 February 2025
Deemed Date of Allotment	14 February 2025
Date of earliest closing of the issue, if any	NA

#### 3.3 Details of specific entities in relation to the current Issue of Non-Convertible Debentures:

S. No.	Name	Details
1.	Legal Counsel	 <p>Verist Law</p> <p>Address: The Empire Business Centre, 414 Senapati Bapat Marg, Lower Parel, Mumbai – 400013, Maharashtra</p> <p>Website: <a href="https://www.veristlaw.in/">https://www.veristlaw.in/</a></p> <p>Email: <a href="mailto:srishti.ojha@veristlaw.com">srishti.ojha@veristlaw.com</a></p> <p>Telephone Number: +91 2266 907 368</p> <p>Contact Person: Srishti Ojha</p>

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2.	<b>Merchant banker and Co-managers to the issues</b>	Not Applicable
3.	<b>Sponsor Bank</b>	Not applicable as this is a private placement of non-convertible debentures
4.	<b>Guarantor</b>	Not Applicable
5.	<b>Arrangers, if any</b>	Not Applicable
6.	<b>Debenture Trustee:</b>	<p>Name: Beacon Trusteeship Limited</p> <p>Address: 5W, 5th Floor, The Metropolitan, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400051</p> <p>Logo:</p>  <p>Telephone Number: 022-46060278</p> <p>Email address: <a href="mailto:compliance@beacontrustee.co.in">compliance@beacontrustee.co.in</a></p> <p>Contact person: Mr. Kaustubh Kulkarni</p>
7.	<b>Register and Transfer Agent</b>	<p>Name: Bigshare Services Private Limited</p> <p>Address: 1<sup>st</sup> Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059</p>  <p>Logo:</p> <p>Telephone Number: 022 6263 8200</p> <p>Fax number: NA</p> <p>Website: <a href="https://www.bigshareonline.com/">https://www.bigshareonline.com/</a></p> <p>Email address: <a href="mailto:mukesh@bigshareonline.com">mukesh@bigshareonline.com</a></p>
8.	<b>Credit Rating Agency</b>	<p>Name: ICRA Analytics Limited</p> <p>Address: 17<sup>th</sup> Floor, Plot G-1, Infinity Benchmark, Block GP, Sector V, Salt Lake, Kolkata, West Bengal - 700091</p>  <p>Logo:</p> <p>Telephone Number: +91-22-61796300</p> <p>Email address: <a href="mailto:ashwini.kumar@icraanalytics.com">ashwini.kumar@icraanalytics.com</a></p> <p>Contact person: Mr. Ashwini Kumar</p>
9.	<b>Auditors</b>	<p>Logo: NA</p> <p>Name: Serva Associates, Chartered Accountants</p>



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		Address: 011-1014, 10th Floor, R G Trade Tower, Netaji Subhash Place, Pitampura, Delhi - 110034 Website: <a href="http://www.serva.in">www.serva.in</a> Email address: info@servamail.in Telephone Number: +919999099891 Contact Person: Mr. Nitin Jain, Partner Peer Review no.: 015024
10.	Valuation Agency	Not Applicable

### 3.4 About the Issuer

**a. Overview and a brief summary of the business activities of the issuer:**

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

**b. Structure of the group**

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

**c. A brief summary of the business activities of the subsidiaries of the issuer:**

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

**d. Details of branches or units where the issuer carries on its business activities, if any may be provided in the form of a static Quick Response (QR) code and web link.**

If the issuer provides the details of branches or units in the form of a static QR code and web link, the details of the said branches or units shall be provided to the debenture trustee as well and kept available for inspection as specified in Section 3.14 (k) (g) of this Key Information Document. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing information about branches or units of the issuer to the debenture trustee and confirmation of the same by the debenture trustee.

Not Applicable

**e. Subsidiary details:**

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

**f. Use of proceeds (in the order of priority for which the said proceeds will be utilized):**  
(i) purpose of the placement; (ii) break-up of the cost of the project for which the money is being raised; (iii) means of financing for the project; (iv) proposed deployment status of the proceeds at each stage of the project.

Not Applicable

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### 3.5 Financial Information

- (a) **The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").**

Please refer to ANNEXURE I (*Last Audited Financial Statements*) of the General Information Document for the audited financial statements of the Issuer for a period of March 2022, March 2023, March 2024 and limited review of unaudited financial statements of the Issuer for a period of December 31, 2024.

However, if the Issuer being a listed REIT/listed InvIT has been in existence for a period less than three completed years and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available.

Provided that, issuers whose non-convertible securities are listed as on the date of filing of the offer document or placement memorandum, may provide only a web-link and a static quick response code of the audited financial statements in the offer document or placement memorandum subject to the following conditions:

- i. Such listed issuers shall disclose a comparative key operational and financial parameter on a standalone and consolidated basis, certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, for the last three completed years in the offer document.
- ii. The scanning of such static quick response code or clicking on the weblink, shall display the audited financial statements for last three financial years of such issuer on the website of the stock exchange where such data is hosted.

Not applicable

- (b) **Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the General Information Document and Key Information Document, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in General Information Document and Key Information Document including risk factors.**

Please refer to **Annexure IX** for the limited review financial statements for the period ending Sept 30, 2024.

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**(c) Issuers other than unlisted REITs / unlisted InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:**

- i. The issue is made on the EBP platform irrespective of the issue size; and
- ii. The issue is open for subscription only to Qualified Institutional Buyers.

Not applicable

**(d) The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.**

**(e) Key Operational and Financial Parameters on a consolidated basis and standalone basis in respect of the financial information provided under clauses (a) to (c) above:**

Particulars	Dec-24 (Provisional)	Sep-24 (Audited)	FY 2023-2024 (Audited)	FY 2022-2023 (Audited)	FY 2021-2022 (Audited)
<b>BALANCE SHEET</b>					
<b>Assets</b>					
Property, Plant and Equipment	8.04	9.65	12.86	-	0.13
Financial Assets	1,69,851.21	163711.43	1,49,460.44	1,40,012.91	60,844.88
Non-financial Assets excluding property, plant and equipment	3,758.34	4124.08	3573.14	3,338.46	2,452.53
<b>Total Assets</b>	<b>1,73,617.59</b>	<b>1,67,845.16</b>	<b>1,53,046.44</b>	<b>1,43,351.37</b>	<b>63,297.54</b>
<b>Liabilities</b>					
Financial Liabilities					
-Derivative financial instruments	-	0	86.11		
-Trade Payables	1,158.69	1077.82	1,128.28	513.66	243.58
-Debt Securities	26,550.74	22297.00	17,390.17	32,482.13	6,000.00
-Borrowings (other than Debt Securities)	73,036.95	73814.68	70,132.31	66,236.50	27,741.99
-Subordinated liabilities		0			
-Other financial liabilities	1,324.21	1293.35	1,446.57	1,265.83	921.09

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Non-Financial Liabilities					
-Current tax liabilities (net)	2,867.50	2786.13	3,033.32	1,062.39	173.13
-Provisions	614.97	931.78	552.83	360.67	122.37
-Deferred tax liabilities (net)		0		290.38	-
-Other non-financial liabilities					
<b>Equity (Equity Share Capital and Other Equity)</b>	<b>68,064.53</b>	<b>65645.39</b>	<b>59,276.85</b>	<b>41,139.81</b>	<b>28,095.38</b>
<b>Total Liabilities and Equity</b>	<b>1,73,617.59</b>	<b>167846.16</b>	<b>1,53,046.43</b>	<b>1,43,351.37</b>	<b>63,297.54</b>
Revenue from operations	53,697.56	35539.02	78,463.04	21,315.26	4,825.54
Other Income	2,435.20	1539.048	2,229.45	377.04	117.71
Total Income	56,132.76	37078.07	80,692.48	21,692.30	4,943.25
Total Expense	48,553.77	29276.79	73,491.71	17,710.61	4,147.50
<b>Profit after tax for the year</b>	<b>7,578.99</b>	<b>5613.07</b>	<b>6,882.13</b>	<b>2,587.40</b>	<b>648.57</b>
Other Comprehensive income	-11.29	2.260	-11.74	3.05	7.18
Total Comprehensive Income	7,567.70	5610.81	6,870.39	2,590.45	655.75
<b>Earnings per equity share (Basic)</b>	<b>2.40</b>	<b>1.78</b>	2.4	1.11	0.63
<b>Earnings per equity share (Diluted)</b>	<b>2.40</b>	<b>1.78</b>	2.4	1.11	0.63
<b>Cash Flow</b>	<b>Dec 24 Provisional</b>	<b>Sep 24 Audited</b>	<b>Mar 24 Audited</b>	<b>Mar 23 Audited</b>	<b>Mar 22 Audited</b>
Net cash from / used in (-) operating activities	NA	NA	34,920.26	-45,772.02	-34,980.45
Net cash from / used in (-) investing activities	NA	NA	739.78	6,128.02	-1,912.71

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Net cash from / used in (-) financing activities	NA	NA	-60,585.63	62,983.54	41,922.29
Net increase/decrease (-) in cash and cash equivalents	NA	NA	-24,925.59	23,339.54	5,029.14
Cash and cash equivalents as per Cash Flow Statement as at year end	NA	NA	3,786.25	28,997.50	5,657.97
<b>Additional Information</b>					
Net worth	68,064.53	65645.39	55,384.77	39,586.45	27,470.83
Cash and cash equivalents	8,127.44	10710.64	2,116.15	28,997.50	5,657.97
Loans	1,50,379.26	141836.72	1,42,052.21	1,06,942.56	51,516.28
Loans (Principal Amount)	1,50,379.26	147664.37	1,42,052.21	1,06,942.56	51,516.28
Total Debts to Total Assets	57.36%	57.26%	57.19%	68.86%	53.31%
Interest Income	42,040.21	27882.34	64,146.60	18,673.64	4,821.76
Interest Expense	10,625.41	7095.28	14,985.09	7,623.09	2,109.55
Impairment on Financial Instruments	27,212.50	17177.98	42,568.19	4,718.57	105.43
Bad Debts to Loans	-	-	-	-	-
% Stage 3 Loans on Loans (Principal Amount)	4.38%	4.46%	4.98%	93,903.90	
% Net Stage 3 Loans on Loans (Principal Amount)	2.17%	2.48%	2.27%		
Tier I Capital Adequacy Ratio (%)	32.11%	33.24%	30.40%	33.92%	43.29%
Tier II Capital Adequacy Ratio (%)	1.25%	1.25%	1.25%	-	-

(INR in lakhs)

**(f) Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability. As Given Below.**

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Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

- (g) **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued**

Not Applicable

### 3.6 Debt: Equity Ratio of the Company:

Before the issue	1.43
After the issue	1.46

**Note-** Net worth figure has been taken as on December 31, 2024 end.

**Borrowings** figure has been taken as on date.

#### Calculations

Prior to issue, debt-to-equity ratio is calculated as follows:

Debt	975.28
Equity	680.64
Debt/Equity	1.43

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:

Debt	995.28
Equity	680.64
Debt/Equity	1.46

### 3.7 Where the Issuer is a non-banking finance company or housing finance company, the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

A. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC including details regarding the following	
(a)	<b>Lending Policy: Should contain overview of origination, risk management, monitoring and collections:</b>  Please refer to the lending policy set out in <b>Annexure X</b> .
(b)	<b>Classification of Loans given to associate or entities related to Board, Key Managerial Personnel, Senior management, promoters, etc.:</b>  Not Applicable

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- (c) **Classification of loans according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.:**

Please refer to paragraph (J) below of this table below.

- (d) **Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;**

As on Sep 30, 2024 – INR 173.52 Lakhs

- (e) **Details of loans, overdue and classified as non-performing assets (NPA) in accordance with RBI stipulations:**

Please refer to paragraph (K) of this table below

#### **B. Details of borrowings made by NBFC**

- (a) **A portfolio summary with regard to industries/ sectors to which borrowings have been made:**

Please refer to paragraph (J) in this table below including sub-paragraph (c) therein.

- (b) **NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer:**

Please refer to paragraph (K) of this table below.

- (c) **Quantum and percentage of secured vis-à-vis unsecured borrowings made; and**

Type of Borrowings	Outstanding as at December 31, 2024 (INR) (in Crore)	%
Secured Borrowings	981.29	99.36%
Unsecured Borrowings	6.33	0.64%
Total	987.62	100.00%

#### **C. Details of change in shareholding**

- (a) **Any change in promoters' holdings during the preceding financial year beyond the threshold, as prescribed by RBI:**

Nil

#### **D. Disclosure of Assets Under Management**



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(a) <b>Segment wise breakup:</b>			
Please refer to sub-paragraph (c) of paragraph (J) in this table below.			
(b) <b>Type of Loans</b>			
Please refer to sub-paragraph (a) of paragraph (J) in this table below.			
<b>E. Details of borrowers</b>			
(a) <b>Geographical location wise</b>			
Please refer to sub-paragraph (e) of paragraph (J) in this table below.			
<b>F. Details of Gross NPA</b>			
(a) <b>Segment wise:</b>			
Please refer to sub-paragraph (c) of paragraph (K) in this table below.			
<b>G. Details of Assets and Liabilities</b>			
(a) <b>Residual maturity profile wise into several bucket:</b>			
Please refer to paragraph (L) in this table below.			
<b>H. Additional details of loans made by Company where it is a housing finance company</b>			
Given that the Issuer is not a housing finance company, this is not applicable.			
<b>I. Disclosure of latest ALM statements to stock exchange</b>			
Please refer to the ALM statements set out in <b>Annexure XI</b> .			
<b>J. Classification of loans according to</b>			
(a) <b>Type of Loans:</b>	<u>Details of types of loans</u>		
	<b>Sl. No.</b>	<b>Types of loans</b>	<b>As at December 31, 2024 (INR) (in Crore)</b>
	1	Secured	0
	2	Unsecured	
	-	On book assets under management (on-book AUM)	1,534.10
	-	Off book assets under management (off-book AUM)	143.53
	-	Total assets under management (Total AUM) <sup>^^</sup>	1,677.63

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	<p><i>*Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^^Issuer is also required to disclose off balance sheet items.</i></p>		
<b>(b) Denomin ation of loans outstandi ng by loan-to- value:</b>	<u>Details of LTV</u>		
	<b>Sl. No.</b>	<b>LTV (at the time of origination)</b>	<b>Percentage of AUM</b>
	1	Upto 40%	NA
	2	40-50%	NA
	3	50-60%	NA
	4	60-70%	NA
	5	70-80%	NA
	6	80-90%	NA
	7	>90%	NA
		<b>Total</b>	NA
<b>(c) Sector Exposure</b>	<u>Details of sectoral exposure</u>		
	<b>Sl. No.</b>	<b>Segment-wise break-up of AUM</b>	<b>Percentage of AUM</b>
	<b>1</b>	<b>Retail</b>	
	A	Mortgages (home loans and loans against property)	<b>Not Applicable</b>
	B	Gold loans	<b>Not Applicable</b>
	C	Vehicle finance	<b>Not Applicable</b>
	D	MFI	<b>Not Applicable</b>
	E	MSME	<b>Not Applicable</b>
	F	Capital market funding (loans against shares, margin funding)	<b>Not Applicable</b>
	G	Others	<b>100%</b>
	<b>2</b>	<b>Wholesale</b>	<b>Not Applicable</b>
	A	Infrastructure	<b>Not Applicable</b>
	B	Real estate (including builder loans)	<b>Not Applicable</b>
	C	Promoter funding	<b>Not Applicable</b>
	D	Any other sector (as applicable)	<b>Not Applicable</b>
	E	Others	<b>Not Applicable</b>
		<b>Total</b>	<b>Not Applicable</b>
	<u>Details of outstanding loans category wise</u>		
	<b>Sl. No.</b>	<b>Ticket size (at the time of origination)</b>	<b>Percentage of AUM</b>
	1	Up to Rs. 1 lakh	<b>65.55%</b>
	2	Rs. 1-5 lakh	<b>34.45%</b>
	3	Rs. 5 - 10 lakh	<b>Not Applicable</b>

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	4	Rs. 10 - 25 lakh	Not Applicable
	5	Rs. 25 - 50 lakh	Not Applicable
	6	Rs. 50 lakh – 1 crore	Not Applicable
	7	Rs. 1 - 5 crore	Not Applicable
	8	Rs. 5 - 25 crore	Not Applicable
	9	Rs. 25 - 100 crore	Not Applicable
	10	>Rs. 100 crore	Not Applicable
		<b>Total</b>	<b>100%</b>
	<i>* Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);</i>		
(e) Geographical classification of borrowers:	Top 5 states borrower wise		
	Sl. No.	Top 5 states	Percentage of AUM
	1	Maharashtra	11.72%
	2	Uttar Pradesh	8.88%
	3	Karnataka	8.00%
	4	Tamil Nadu	7.24%
	5	Gujarat	7.86%
		<b>Total</b>	<b>43.71%</b>
<b>K. Details of loans, overdue and classified as non-performing assets (NPA) in accordance with RBI stipulations</b>			
(a) Movement of Gross NPA	Movement of gross NPA*		Rs. crore
	Opening gross NPA		73.23
	- Additions during the year		240.16
	- Reductions during the year		246.40
	Closing balance of gross NPA		66.99
	<b>*Please indicate the gross NPA recognition policy (Day's Past Due): 180 days</b>		
(b) Movement of provisions for NPA	Movement of provisions for NPA		Rs. crore
	Opening balance		
	- Provisions made during the year		

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	- Write-off/ write-back of excess provisions		
	Closing balance		
(c) Segment wise gross NPA	Sl. No.	Segment-wise gross NPA	Gross NPA (%)
	1	Retail	
	A	Mortgages (home loans and loans against property)	Not Applicable
	B	Gold loans	Not Applicable
	C	Vehicle finance	Not Applicable
	D	MFI	Not Applicable
	E	MSME	Not Applicable
	F	Capital market funding (loans against shares, margin funding)	Not Applicable
	G	Others	4.38%
	2	Wholesale	
	A	Infrastructure	Not Applicable
	B	Real estate (including builder loans)	Not Applicable
	C	Promoter funding	Not Applicable
	D	Any other sector (as applicable)	Not Applicable
	E	Others	Not Applicable
		Total	Not Applicable

L. Residual maturity profile of assets and liabilities (in line with the RBI format):										
Residual maturity profile of assets and liabilities	(as per Audited Financial as on Dec 31, 2024) INR (in Crore)									
	Categ ory	Up to 30 / 31 day s	>1 mon ths – 2 mon ths	>2 mon ths – 3 mon ths	>3 mon ths – 6 mon ths	>6 mon ths – 1 year	>1 yea rs – 3 yea s	>3 ye ars – 5 ye ars	> 5 ye ars	Total
	Deposit	-	-	-	-	-	-	-	-	-
	Advan ces	303 .61	107. 95	105. 31	273. 42	432. 34	397 .46	0.5 2	-	1,62 0.62
	Invest ments	-	-	-	-	-	-	-	-	-
	Borrow ings	26. 44	30.1 0	23.6 6	61.1 9	137. 62	152 .32	10. 00	-	441. 32
	FCA*	-	-	-	-	-	-	-	-	-
	FCL*									

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		-	-	-	-	241.93	306.20	-	-	548.13
*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities.										

### 3.8 A brief history of Issuer since its incorporation giving details of its following activities:

(a) **Details of share capital;**

Details of Share Capital as on last quarter ended on December 31, 2024 is given below:

Share Capital	Amount (INR) (Lakhs)
<b>Authorised</b>	
Equity Share Capital	[40,000]
Preference	[0]
<b>TOTAL</b>	[40,000]
<b>Issued, Subscribed and Paid-up Share Capital</b>	
Equity Shares	[31,599.40]
Preference Shares	[0]
<b>TOTAL</b>	[31,599.40]

(b) **Changes in Issuer's capital structure;**

Change in the capital structure as on last quarter ended on December 31, 2024, for the preceding three financial years and current financial year : No Change

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document

(c) **Equity Share Capital of the Company;**

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

(d) **Details of of any Acquisition or Amalgamation;**

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

(e) **Details of any Reorganization or Reconstruction;**

Please refer to Section 5 (*Regulatory Disclosures*) of the General Information Document.

(f) **Details of the shareholding of the Company;**

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Details of the shareholding of the Company as at the latest quarter end, i.e., December 31, 2024, as per the format specified under the listing regulations: -

Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total number of equity shares.
1	Morus Technologies Pte Ltd	31,59,93,898	31,59,93,898	99.99%

(g) **Details of the shareholding of the Company;**

The list of top 10 holders of equity shares of the Company as on the latest quarter ended December 31, 2024;

Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total number of equity shares.
1	Morus Technologies Pte Ltd	315993898	315993898	99.99%
2	Shruti Aggarwal (on Behalf of Morus Technologies Pte Ltd)	100	100	0.01%

### 3.9 DETAILS OF THE BORROWING OF THE ISSUER

(a) **Details of Outstanding Secured Loan Facilities (as on December 31, 2024):**

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Name of lender	Type of Facility	Amount Sanctioned (in Rs Lakhs)	Principal Amount outstanding (in Rs. Lakhs)	Repayment date / Schedule	Security	Credit Rating, if applicable	Asset Classification
Ambit Finvest Pvt Ltd-TL4	Term Loan	13.50	1.77	31-Jan-25	115%	NA	Standard
Ambit Finvest Pvt Ltd-TL4 T2	Term Loan	13.50	1.22	07-Mar-25	115%	NA	Standard
Ambit Finvest Pvt Ltd-TL5	Term Loan	12.00	9.16	31-Aug-25	120%	NA	Standard
Apollo Finvest India Ltd TL-1	Term Loan	5.00	1.32	22-Mar-25	117%	NA	Standard
AU Small Finance Bank-TL6	Bank Term Loan	20.00	13.33	30-Jul-25	110%	NA	Standard
Grow Money Capital Pvt Ltd-TL5-T2	Term Loan	10.00	0.44	10-Jan-25	110%	NA	Standard
Grow Money Capital Pvt Ltd-TL6-T1	Term Loan	10.00	5.00	16-Dec-25	110%	NA	Standard
Hinduja Leyland Finance Ltd-TL3	Term Loan	15.00	2.08	30-Mar-25	110%	NA	Standard
ICICI Bank Ltd-TL1	Bank Term Loan	10.00	2.50	30-Jun-25	125%	NA	Standard
ICICI Bank Ltd-TL2	Bank Term Loan	5.40	4.50	29-Aug-26	125%	NA	Standard
Indian Overseas Bank Loan TL-1	Bank Term Loan	15.00	13.13	27-Sep-26	125%	NA	Standard
MAS Financial Service Ltd-TL26	Term Loan	7.50	6.88	22-Oct-26	110%	NA	Standard
MAS Financial Service Ltd-TL27	Term Loan	7.50	6.88	22-Oct-26	110%	NA	Standard
MAS Financial Service Ltd-TL-28	Term Loan	7.50	7.50	05-Jan-27	110%	NA	Standard
MAS Financial Services Ltd-TL13	Term Loan	5.00	0.63	25-Mar-25	110%	NA	Standard



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MAS Financial Services Ltd-TL14	Term Loan	5.00	0.63	25-Mar-25	110%	NA	Standard
MAS Financial Services Ltd-TL15	Term Loan	5.00	0.63	25-Mar-25	110%	NA	Standard
MAS Financial Services Ltd-TL16	Term Loan	7.50	1.88	25-Jun-25	110%	NA	Standard
MAS Financial Services Ltd-TL17	Term Loan	7.50	1.88	25-Jun-25	110%	NA	Standard
MAS Financial Services Ltd-TL18	Term Loan	10.00	3.33	05-Aug-25	110%	NA	Standard
MAS Financial Services Ltd-TL19	Term Loan	10.00	4.58	31-Oct-25	110%	NA	Standard
MAS Financial Services Ltd-TL20	Term Loan	5.00	2.92	31-Jan-26	110%	NA	Standard
MAS Financial Services Ltd-TL-21	Term Loan	5.00	3.13	18-Mar-26	110%	NA	Standard
MAS Financial Services Ltd-TL-22	Term Loan	10.00	6.67	22-Apr-26	110%	NA	Standard
MAS Financial Services Ltd-TL-23	Term Loan	7.50	5.31	30-Apr-26	110%	NA	Standard
MAS Financial Services Ltd-TL-24	Term Loan	10.00	8.33	29-Jul-26	110%	NA	Standard
MAS Financial Services Ltd-TL-25	Term Loan	7.50	6.25	29-Jul-26	110%	NA	Standard
MAS Financial Services_PTC	PTC	13.72	10.44	17-Feb-26	110%	A (SO)	Standard
Moneywise Financial Services Pvt Ltd-TL-4	Term Loan	10.00	2.00	28-Jun-25	110%	NA	Standard
Moneywise Financial Services Pvt Ltd-TL-4B	Term Loan	10.00	3.67	30-Nov-25	110%	NA	Standard
Morus Technologies Pte Ltd-1	ECB	79.77	79.77	25-Aug-25	117.50%	NA	Standard

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Morus Technologies Pte Ltd-10	ECB	41.78	41.78	25-Sep-27	117.50%	NA	Standard
Morus Technologies Pte Ltd-11	ECB	44.44	44.44	27-Dec-27	117.50%	NA	Standard
Morus Technologies Pte Ltd-2	ECB	79.47	79.47	15-Sep-25	117.50%	NA	Standard
Morus Technologies Pte Ltd-3	ECB	82.69	82.69	30-Dec-25	117.50%	NA	Standard
Morus Technologies Pte Ltd-4	ECB	41.60	41.60	02-Nov-26	117.50%	NA	Standard
Morus Technologies Pte Ltd-5	ECB	24.93	24.93	02-Nov-26	117.50%	NA	Standard
Morus Technologies Pte Ltd-6	ECB	24.91	24.91	08-Jan-27	117.50%	NA	Standard
Morus Technologies Pte Ltd-7	ECB	41.64	41.64	22-Mar-27	117.50%	NA	Standard
Morus Technologies Pte Ltd-8	ECB	41.69	41.69	07-Jul-27	117.50%	NA	Standard
Morus Technologies Pte Ltd-9	ECB	26.00	26.00	02-Sep-27	117.50%	NA	Standard
Northern Arc Capital Ltd TL-10	Term Loan	10.00	6.85	30-Jul-25	110%	NA	Standard
State Bank of Mauritius-TL1	Bank Term Loan	15.00	11.25	30-Sep-25	115%	NA	Standard
Suryoday Bank TL-1	Bank Term Loan	10.00	5.20	28-Apr-25	110%	NA	Standard
Suryoday Bank TL-2	Bank Term Loan	10.00	10.00	05-Jan-26	110%	NA	Standard
Tata Capital Financial Services Ltd-TL3	Term Loan	10.00	6.66	30-May-25	120%	NA	Standard
Western Capital Advisors Pvt Ltd-TL7	Term Loan	9.00	4.50	01-Apr-25	110%	NA	Standard

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Western Capital Advisors Pvt Ltd-TL8	Term Loan	3.00	1.50	01-Apr-25	110%	NA	Standard
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(b) **Details of Outstanding Unsecured Loan Facilities (as on December 31, 2024);**

Name of lender	Type of facility	Amount Sanctioned (in Rs. Lakhs)	Principal Amount outstanding (in Rs. Lakhs)	Repayment date or Schedule	Credit Rating, if applicable
Positive Moves India Consulting Pvt. Ltd-TL-15	ICD	3.00	3.00	10-Dec-25	NA
Fusion Corporate Solutions Pvt. Ltd-TL6	ICD	4.00	2.67	25-Aug-25	NA
Positive Moves India Consulting Pvt. Ltd-TL-14	ICD	10.00	3.33	25-Jan-25	NA

(c) **Details of Outstanding Non-Convertible Securities (as on December 31, 2024);**

Series of NCS	ISIN	Tenor	Coupon	Amount	Date of Allotment	Redemption Date	Credit Rating	Secured / Unsecured	Security
1	INE08XP07274	24	14.00 %	25.00	31-Dec-24	31-Dec-26	ICRA BBB Stable	Secured	115%
2	INE08XP07266	18	10.01 %	50.00	17-Oct-24	17-Apr-26	ICRA BBB Stable	Secured	110%
3	INE08XP07241	17	12.50 %	10.00	08-Oct-24	19-Feb-26	ICRA BBB Stable	Secured	110%
4	INE08XP07258	18	10.01 %	50.00	22-Aug-24	14-Feb-26	ICRA BBB Stable	Secured	110%
5	INE08XP07241	18	12.50 %	6.00	19-Aug-24	19-Feb-26	ICRA BBB Stable	Secured	110%
6	INE08XP07233	18	10.01 %	30.00	15-Jul-24	14-Jan-26	ICRA BBB	Secured	110%

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							Stabl e		
7	INE08XP07 233	18	10.01 %	40.00	21-Jun- 24	21-Dec- 25	ICRA BBB Stabl e	Secured	110%
8	INE08XP07 217	30	11.90 %	20.00	03-Jun- 24	30-Nov- 26	ICRA BBB Stabl e	Secured	110%
9	INE08XP07 225	66	12.00 %	10.00	03-Jun- 24	30-Nov- 29	ICRA BBB Stabl e	Secured	110%
10	INE08XP07 209	13	12.00 %	5.00	22-May- 24	20-May- 25	ICRA BBB Stabl e	Secured	110%
11	INE08XP07 191	12	13.00 %	5.00	22-Apr- 24	22-Apr-25	ICRA BBB Stabl e	Secured	110%
12	INE08XP07 175	15	11.50 %	20.00	08-Dec- 23	08-Mar- 25	ICRA BBB Stabl e	Secured	110%
13	INE08XP07 159	18	10.01 %	40.00	24-Jul- 23	21-Jan- 25	ICRA BBB Stabl e	Secured	110%
14	INE08XP07 159	18	10.01 %	20.00	09-Aug- 23	12-Jan- 25	ICRA BBB Stabl e	Secured	110%
15	INE08XP07 100	24	14.00 %	25.00	NA	31-Mar- 25	ICRA BBB Stabl e	Secured	110%

(d) **Details of Outstanding commercial papers as on the preceding quarter (as on December 31, 2024): - Nil**

(e) **List of top 10 holders of non-convertible securities in terms of value (as on December 31, 2024);**

Sr. No	Name of Holders	Category of holder	Face value of holding	Holding as a % of total outstanding non-convertible
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				<b>securities of the issuer</b>
1	S K FINANCE LIMITED	Pvt Ltd	1,00,000	22.2%
2	Trifecta Venture Debt Fund III	AIF	1,00,000	9.4%
3	MAS FINANCIAL SERVICES LTD	Pvt Ltd	1,00,000	7.1%
4	HARITA SRINIVASAN PRIVATE LIMITED	Individual	1,00,000	5.6%
5	VIVRITI EMERGING CORPORATE BOND FUND	AIF	1,00,000	4.5%
6	PACE FINANCIAL INVESTMENT ADVISER PRIVATE LIMITED	Pvt Ltd	1,00,000	2.9%
7	INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED	Pvt Ltd	1,00,000	1.9%
8	PACE FINANCIAL TRESOR PRIVATE LIMITED	Pvt Ltd	1,00,000	1.1%
9	CREDAVENUE SECURITIES PRIVATE LIMITED	Pvt Ltd	1,00,000	1.0%
10	BHAVESH GUPTA	Individual	10,000	0.9%

- (f) **List of top 10 holders of commercial papers in terms of value (in cumulative basis) (as on December 31, 2024); -**

Nil

- (g) **Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors.**

Name of Party (in case of facility)/ Name of Instrument	Type of Facility / Instrument	Amount Sanctioned / Issue	Principal Amount outstanding	Redemption Date	Credit Rating	Secured / Unsecured	Security
N.A.							

- (h) **The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent**

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**liability including debt service reserve account guarantees/ any put option etc. Details of any outstanding borrowing taken / debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing / debt securities have been taken / issued: (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not:**

NIL

**3.10 Consent of directors, auditors, bankers to issue, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

Parties	Consent
<b>Directors</b>	Please refer Annexure V: Board Resolution in respect of the resolutions passed at the meeting of the board of directors of the Issuer and at the meeting of working committee of the board of directors of the Issuer.
<b>Auditors</b>	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, other than audited financials as set out in Annexure IX: Financial Statements no auditor's report is being obtained in respect of this issue of Debentures, the Issuer believes that no specific consent from the lenders of the Issuer is required.
<b>Bankers</b>	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no bankers have been appointed in respect of such issue of Debentures
<b>Debenture Trustee</b>	Copy of the Debenture Trustee consent letter has been set out in <b>Annexure II</b> of this Key Information Document
<b>Solicitors / Advocates</b>	Not applicable
<b>Solicitors / Advocates/ Legal Advisors</b>	The company has appointed the legal counsel to the issue vide board resolution. Please refer to Annexure V: Board Resolution of this Key Information Document.
<b>Registrar</b>	Copy of the consent letter of the registrar and transfer agent has been set out in <b>Annexure VIII</b> of this Key Information Document
<b>Lenders of the Issuer</b>	The Issuer believes that no specific consent from the lenders of the Issuer is required.
<b>Experts</b>	Consent of the experts as mentioned above has been obtained to the extent applicable.

**3.11 The names of the debenture trustees(s), a statement to the effect that the debenture trustee has consented to its appointment along with a copy of the agreement executed by the debenture trustee with the issuer in accordance with regulation 13 of the**

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**Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 made accessible through a web-link or a static quick response code displayed in the issue document.**

Beacon trusteeship Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given their consent to the Issuer for its appointment under the Securities and Exchange Board Of India (Issue And Listing Of Non-Convertible Securities) Regulations, 2021, as amended up to date, and a copy of the consent letter is enclosed as Annexure II to this Key Information Document. The Company will enter into a Debenture Trustee Agreement/ Debenture Trust Deed, inter-alga, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debenture. The Debenture Trustee Agreement is enclosed as Annexure XI to this Key Information Document.

The Debenture Holders shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Debenture Trustee or any of their Agents or authorized officials to do, inter cilia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of the Key Information Document. All rights and remedies under the Debenture Trust Deed / Debenture Trustee Agreement and/or other security documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture holder(s) shall discharge the Company to that extent to the Debenture holder(s). No Debenture holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

Company reserves the rights to appoint any other SEBI registered Trustee.

- 3.12 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the General Information Document.**

Not Applicable

- 3.13 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention**

- (a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made:***

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (*Day count convention, disclosure of cash flows and other disclosures in the offer document*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/ 2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as may be amended and modified from time to time.

- (b) ***Procedure and time schedule for allotment and issue of securities should be disclosed;***

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The issue schedule for the issue of the Debentures as provided in Section 3.2 (*Issue Schedule*).

Please also refer as provided in Section 4 of this Key Information Document.

- (c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the Key Information Document, by way of an illustration:***

**The cashflows emanating from the Debentures, by way of an illustration, are set out in Annexure IV of this Key Information Document.**

**3.14 Other details:**

- (a) **Creation of Debenture Redemption Reserve ("DRR") – relevant legislations and applicability:**

- (i) The Company hereby agrees and undertakes that, if required under Applicable Law, it will create a debenture redemption reserve ("DRR") in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.
- (ii) If any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR prior to the Final Settlement Date, then the Company shall comply with such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee in respect of the creation and maintenance of the DRR.
- (iii) Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year.
- (iv) In addition to the above, to the extent required by Applicable Law, the Company shall, in any Financial Year, in respect of any amounts of the Non-Convertible Securities maturing in such Financial Year, invest or deposit amounts up to such thresholds as may be prescribed by Applicable Law and in such form and manner as prescribed therein and within the time periods prescribed therein.

- (b) **Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.):**

- 1) The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time.
  - a. the Companies Act, 2013;
  - b. the Companies Act, 1956 (to the extent applicable and in force);
  - c. the Securities Contracts (Regulation) Act, 1956;
  - d. the Companies (Share Capital and Debentures) Rules, 2014;
  - e. the Companies (Prospectus and Allotment of Securities) Rules, 2014;



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- f. the Securities and Exchange Board of India Act, 1992;
- g. the Depositories Act, 1996;
- h. the SEBI NCS Regulations, as amended from time to time;
- i. the SEBI LODR Regulations, as amended from time to time;
- j. the SEBI Debenture Trustees Circular, as amended from time to time;
- k. the Listed Master Circular, as amended from time to time;
- l. the SEBI Merchant Banker Regulations, as amended from time to time;
- m. the SEBI Reduction in Denomination of Debt Securities Circular;
- n. the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time; and
- o. all other relevant laws (including rules, regulations, clarifications, notifications, directives, circulars as may be issued by the Securities Exchange Board of India, the Reserve Bank of India and any statutory, regulatory, judicial, quasi-judicial authority).

Over and above, the said debentures shall be subject to the term and conditions as contained in the General Information Document/ Key Information Document, application form and the Debenture Trust Deed / Trustee Agreement.

(c) **Default in payment:**

In case of payment default, the Company agrees to pay an additional interest at the rate of 2.00% (two-point zero percent) per annum over and above the applicable Interest Rate on the Outstanding Principal Amount in addition to any other charges payable to the Debenture Holders from the date of the occurrence of the payment default until such payment default is cured or the final redemption amount is paid (whichever is earlier).

(d) **Delay in listing:**

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI Master Circular, the Issuer confirms that in the event there is any delay in listing a of the Non-Convertible Securities beyond (T+3) working days, wherein "T" shall be referred to the issue closing date, the Company will (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Non-Convertible Securities until the listing of the Non-Convertible Securities is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

(e) **Delay in allotment of securities:**

- (i) The Issuer shall ensure that the Non-Convertible Securities are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.
- (ii) If the Issuer fails to allot the Non-Convertible Securities to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Monies ("**Allotment Period**"), it shall repay the Application Monies to the Applicants within 15 (fifteen)

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calendar days from the expiry of the Allotment Period ("**Repayment Period**").

- (iii) If the Issuer fails to repay the Application Monies within the Repayment Period, then Issuer shall be liable to repay the Application Monies along with interest at the applicable Interest Rate or 12% (twelve percent) per annum, whichever is higher, from the expiry of the Allotment Period.

(f) **Issue details:**

Please refer to Section 3.15 (*Issue Details*) of this Key Information Document

(g) **Application process:**

The application process for the Issue is as provided in Section 4 of this Key Information Document.

(h) **Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:**

All disclosures under Form No. PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 have been set out in Section 5.

(i) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:** Not Applicable

(j) **The Issuer hereby undertakes that the assets on which the charge or security has been created to meet the hundred percent security cover or higher security cover is free from any encumbrances and in case the assets are encumbered, the permissions or consent to create any further charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of the charge.**

For security related details please refer to Section 3.15 of this Key Information Document. The Issuer further undertakes that the charge created is equal to 1.1x of the security cover and is free of encumbrances.

(k) **The issue document shall include the following other matters and reports, namely:**

- (a) **If the proceeds, or any part of the proceeds, of the issue of the debt securities/ non-convertible redeemable preference shares are or is to be applied directly or indirectly:**

- (1) **in the purchase of any business; or**

- (2) **in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon –**

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1. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and
2. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.

Not Applicable

(b) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:

- (1) the names, addresses, descriptions and occupations of the vendors;
- (2) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;
- (3) the nature of the title or interest in such property proposed to be acquired by the company; and
- (4) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property.

Provided that the disclosures specified in sub-clauses (i) to (iv) above shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on an aggregated basis in the offer document, specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (i) to (iv) above may be provided by way of static QR code and web link. If the issuer provides the said details in the form of a static QR code and web link, the same shall be provided to the debenture trustee as well and kept available for inspection

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**as specified in Section 3.14 (k) (g) of this Key Information Document. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (i) to (iv) above, to the debenture trustee and confirmation of the same by the debenture trustee.**

Not Applicable

**(c) If:**

- (1) the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and**
- (2) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –**
  - 1. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and**
  - 2. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.**

Not Applicable

**(d) The said report shall:**

- (1) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and**
- (2) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.**

Not Applicable

**(e) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including rescheduling, prepayment, penalty, default shall be disclosed.**

Please refer to Annexure X: Lending Policy

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- (f) The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies, shall be disclosed.**

Not Applicable

- (g) The matters relating to:**

- (1) Material contracts:**

S. No.	Nature of Contract
1)	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2)	Board Resolution dated 11 February 2025 authorizing the issue of Debentures offered under the terms of this Key Information Document.
3)	Shareholder Resolution under Section 180 (1) (a) and Section 180 (1) (c) dated 14 Nov 2024 authorizing the borrowing by the Company and the creation of security.
4)	Copies of Annual Reports of the Company for the last three financial years.
5)	Credit rating letter from the Rating Agency dated 15 January 2025.
6)	Letter from Debenture Trustee dated 11 February 2025 giving its consent to act as Debenture Trustee. (" <b>Consent Letter</b> ").
7)	Letter for Register and Transfer Agent dated 06 February 2025.
8)	Certified true copy of the certificate of incorporation of the Company.
9)	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL dated June 18, 2019.
10)	Debenture Trustee Agreement dated 11 February 2025 executed between the Issuer and the Debenture Trustee.
11)	Debenture Trust Deed to be executed on or around the date of this Key Information Document between the Issuer and the Debenture Trustee.
12)	Deed of Hypothecation to be executed on or around the date of this Key Information Document between the Issuer and the Debenture Trustee.

- (2) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list.**

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Company between on 10.00 am to 4.00 pm on Business Days.

- (h) Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.**

Please refer to Chapter C- Related Party Transaction, Page 105 of the General Information Document.

- (i) The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue**

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**document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.**

Not Applicable.

- (j) The details of: any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law; prosecutions filed, if any (whether pending or not); and fines imposed or offences compounded, in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.**

Not Applicable

- (k) The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer.**

Not Applicable

**(l) Listing and Monitoring Requirements:**

**i. MONITORING**

The Company will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the Master Circular for Debenture Trustee, the Company undertakes and agrees to provide all relevant documents/ information, as applicable, to enable the Debenture Trustee to submit the following reports/ certifications to BSE in accordance with the Master Circular for Debenture Trustee:

**ii. RECOVERY EXPENSE FUND**

- (a) The Company hereby undertakes and confirms that it shall, within the time period prescribed under the Master Circular for Debenture Trustee, establish, maintain and utilize the Recovery Expense Fund in such manner/ mode as is prescribed under the Master Circular for Debenture Trustee, to enable the Debenture Trustee to take prompt action in relation to the enforcement/legal proceedings under the Transaction Documents.
- (b) The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.
- (c) The Company shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its

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expiry, failing which the designated stock exchange may invoke such bank guarantee.

- (d) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement/legal proceedings and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under the Master Circular for Debenture Trustee. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement/legal proceedings under the Transaction Documents.
- (e) The amounts in the Recovery Expense Fund shall be refunded to the Company on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Company before issuing such "no objection certificate".

### **iii. REQUIREMENTS UNDER THE LODR REGULATIONS**

The Company agrees, declares and covenants with the Debenture Trustee that it will comply with all relevant requirements prescribed under the LODR Regulations applicable to it (including without limitation, Chapter IV of the LODR Regulations (to the extent applicable) and Chapter V of the LODR Regulations (to the extent applicable)).

### **iv. DUE DILIGENCE**

- (f) The Company acknowledges, understands, and confirms that:
  - (i) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Act, the LODR Regulations, the Debt Listing Regulations, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;
  - (ii) for the purposes of carrying out the due diligence as required in terms of the Master Circular for Debenture Trustee, the Debenture Trustee, either through itself or its agents, advisors, consultants, shall have the power to examine the books of account of the Company and to have the Company's Hypothecated Assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts, management consultants appointed by the Debenture Trustee; and
  - (iii) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property (as set out in the Debenture Trust Deed/ this Key Information Document) to the extent necessary for discharging its obligations. The Company shall provide full and unimpeded access to the records, registers and books of accounts in relation to the Hypothecated

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Assets and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Company upon request.

- (g) The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of the Transaction Security or the assets on which security interest/ charge is created, which shall inter alia, include:
- (i) periodical status/ performance reports from the Company within seven days of the relevant board meeting of the Company or within 45 (forty-five) days of the respective quarter, whichever is earlier;
  - (ii) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;
  - (iii) details with respect to the implementation of the conditions regarding creation of the Transaction Security for the Debentures, debenture redemption reserve if applicable and Recovery Expense Fund;
  - (iv) details with respect to the Hypothecated Assets of the Company and of the guarantors (to the extent applicable) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such Hypothecated Assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;
  - (v) reports on the utilization of funds raised by the issue of Debentures;
  - (vi) details with respect to r redemption of the Debentures;
  - (vii) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the applicable Law;
  - (viii) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;
  - (ix) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;
  - (x) (to the extent applicable) certificate from the statutory auditors of the Company (i) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (ii) in the case of Debentures issued for financing working capital, at the end of each accounting year; and
  - (xi) such other documents or information as may be required by the Debenture



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Trustee in accordance with the applicable Law.

- (h) Without prejudice to any other provision of the Debenture Trust Deed/ this Key Information Document and the other Transaction Documents, the Company shall:
  - (i) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;
  - (ii) to the extent applicable, submit a certificate from the statutory auditor on a quarterly basis, regarding the maintenance of security cover in accordance with the terms of the Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Disclosure Documents and the other Transaction Documents within timelines as specified under SEBI Listed Debentures Circulars and Regulations, or such other circulars issued by SEBI from time to time;
  - (iii) comply with all requirements under the Master Circular for Debenture Trustee, and provide all documents/information as may be required in accordance with the Master Circular for Debenture Trustee.

**v. OTHERS**

- (i) The Company shall, at all times until the secured obligations have been duly discharged, maintain a bank account no. 50200017946230, IFSC HDFC0000485 with HDFC Bank Ltd ("**Account Bank**") from which it proposes to pay the redemption amount. The Company agrees and acknowledges that they shall also inform the Debenture Trustee within 1 (one) working day of any change in the Account Bank details.
- (j) The Company further acknowledges, agrees, that the Debenture Trustee is authorised to seek redemption payment related details and information from the Account Bank in terms of the extant SEBI regulations. Further, in case of change of Account bank, the Debenture Trustee shall accept such change only upon submission of the duly acknowledged and accepted pre-authorisation letter and duly accepted consent letter from the successor /new account bank.
- (k) The Company covenants with the Debenture Trustee that it shall comply with all its obligations under the Debenture Trust Deed/ this Key Information Document and pay and repay all the monies payable by the Company (including any applicable default interest, fees and costs and expenses) to the Debenture Trustee and the Debenture Holder(s) pursuant to the terms of the Debenture Trust Deed/ this Key Information Document.
- (l) The Company shall ensure due compliance and adherence to the Master Circular for Debenture Trustee in letter and spirit.
- (m) To the extent applicable and required in terms of the Master Circular for Debenture Trustee, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under the Master Circular for Debenture Trustee.

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- (n) To the extent required/ applicable, the Company shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company, and (ii) all covenants of the issue (including side letters, event of default provisions/ clauses etc.).
- (o) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.
- (p) The Company and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under the Master Circular for Debenture Trustee in respect of the Debentures and the transactions contemplated in the Transaction Documents.

**3.15 Issue Details applicable for this issuance of the Debentures under this Key Information Document.**

Security Name <i>(Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year)</i>	12.00% Akara Capital Advisors Private Limited 2028
Issuer	Akara Capital Advisors Private Limited
Type of Instrument	Rated, Listed, Secured, Redeemable, Non-Convertible Debentures.
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or subordinated)	Senior
Eligible Investors	Please refer Section 4.4 ( <i>Eligible Investors</i> ).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	BSE
Rating of Instrument	"ICRA BBB" (Outlook: Stable) issued by ICRA

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Issue size	<p><b>Total Issue:</b> Issue of up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) ("<b>Debentures</b>")</p> <p><b>Base Issue:</b> 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only)</p> <p><b>Green Shoe Option:</b> up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only)</p>
Minimum Subscription	INR 1,00,00,000/- (Rupees One Crore Only) and in multiples of INR 1,00,000/- (Rupees One Lakh Only) thereafter
Option to retain oversubscription (Amount)	NIL
Objects of the Issue / Purpose for which there is requirement of funds	The proceeds of the issue will be utilized toward ongoing lending operations of the Company.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format:	Not Applicable.
Details of the utilization of the Proceeds	<p>The proceeds raised from the Issue will be used solely for the Purpose.</p> <p>The Company shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none"> <li>(a) any capital market instrument such as equity and equity linked instruments or any other capital market related activities</li> <li>(b) any real estate activity or land acquisition;</li> <li>(c) any speculative purposes;</li> <li>(d) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.77/21.04.172/2024-25 dated April 24, 2024 on "Bank Finance to Non-Banking</li> </ul>

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	<p>Financial Companies (NBFCs)"; or</p> <p>(e) in contravention of any guidelines, rules or regulations of the RBI applicable to non-banking financial companies including any activities which are prohibited under applicable law.</p> <p>PROVIDED HOWEVER, the Company shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks.</p>		
Coupon Rate	Fixed interest at 12.00% (Twelve-point zero zero Percent) per annum payable monthly from the Deemed Date of Allotment		
Step Up / Step Down Coupon Rate	<p>In the event, credit rating of the Company is downgraded from the current rating of "ICRA BBB (Stable)" during the Tenor of the Debentures, the Interest Rate shall increase by 25 bps for each downgrade from the current rating of the Company ("<b>Step Up Coupon Rate</b>"). Such increased rate of interest shall be applicable from the date of such downgrade ("<b>Step Up</b>") until such event is cured, on the outstanding principal amount and accrued interest of the Debentures.</p> <p>In the event the credit rating of the Company is downgraded from the current rating of "ICRA BBB (Stable)" by two notches below its current rating during the Tenor of the Debentures, Debenture Holders shall have a right of call for Accelerated Redemption of the Debentures.</p> <p>For the purpose of this clause, if the issue is rated by more than one agency, then the lowest of the ratings shall be considered.</p>		
Coupon Payment Frequency	Monthly		
Coupon Payment Dates		14-03-2025 14-04-2025 14-05-2025 14-06-2025 14-07-2025 14-08-2025 14-09-2025 14-10-2025 14-11-2025 14-12-2025 14-01-2026 14-02-2026 14-03-2026 14-04-2026 14-05-2026 14-06-2026 14-07-2026 14-08-2026 14-09-2026	

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		14-10-2026	
		14-11-2026	
		14-12-2026	
		14-01-2027	
		14-02-2027	
		14-03-2027	
		14-04-2027	
		14-05-2027	
		14-06-2027	
		14-07-2027	
		14-08-2027	
		14-09-2027	
		14-10-2027	
		14-11-2027	
		14-12-2027	
		14-01-2028	
		14-02-2028	
		14-03-2028	
		14-04-2028	
		14-05-2028	
		14-06-2028	
		14-07-2028	
		14-08-2028	
Coupon Type (Fixed, floating or other structure)	Fixed		
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable		
Day Count Basis (Actual / Actual)	<p>Actual / Actual.</p> <p>The Coupon (if any) shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year shall comprise of a period of 365 (Three Hundred and Sixty-Five) days.</p> <p>In case of a leap year, if 29<sup>th</sup> February of the relevant leap year falls during the Tenor of the Debentures, then the number of days shall be reckoned as 366 (Three Hundred and Sixty-Six) days for the one-year period.</p>		
Interest on Application Monies	<p>Interest at the Interest Rate applicable to respective series of Debentures subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Debentures for the period starting from and including the date of realization of application money in Issuer's Designated</p>		

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	<p>Bank Account up to one day prior to the Deemed Date of Allotment.</p> <p>Where Pay-in Date and Deemed date of Allotment are the same, no interest on Application money is to be paid.</p>
Default Interest Rate	<p><b><i>Payment Default</i></b></p> <p>In case of payment default, the Company agrees to pay an additional interest at the rate of 2.00% (two-point zero zero percent) per annum over and above the applicable Interest Rate on the Outstanding Principal Amount in addition to any other charges payable to the Debenture Holders from the date of the occurrence of the payment default until such payment default is cured or the final redemption amount is paid (whichever is earlier).</p> <p><b><i>Breach of Covenants/Event of Default</i></b></p> <p>In case of breach of any of the covenants including Event of Default under the Debenture Trust Deed/ this Key Information Document the Company shall pay an additional interest at 2% p.a. (two-point zero zero percent) over the Interest Rate for the period of default in addition to any other charges incurred by Debenture Holders on actual basis in case of default in the performance of any of the covenants/Events of Default.</p> <p><b><i>Delay in execution of Debenture Trust Deed</i></b></p> <p>In case the Company fails to execute this Deed on or before the Deemed Date of Allotment of Debentures, and that in case of delay in execution of this Deed, the Company will pay additional interest of 2% (Two percent) per annum over the Coupon, over and above the agreed Coupon Rate, till the execution of the Debenture Trust Deed.</p> <p><b><i>Delay in Security Creation</i></b></p> <p>Issuer shall pay a penal interest of 2.0% (Two Percent) p.a. over the Interest Rate on the Outstanding Principal Amount in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets within in 30 (thirty) days from the date of execution of Hypothecation Agreement;</p> <p><b><i>Delay in filing modification of charge with respect to Hypothecated Assets</i></b></p> <p>Issuer shall pay a penal interest of 2.0% (Two Percent) p.a. over the Interest Rate in the event of failure to file modification of charges within 7 (seven) days from the date of Replacement of Hypothecated Assets/ providing additional</p>

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	<p>security/providing cash collateral or any modification as required under applicable Law.</p> <p><b><i>Delay in listing</i></b></p> <p>In accordance with the SEBI NCS Listing Regulations read together with the Listed NCDs Master Circular, the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (Three) trading days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed.</p>
Tenor	42 (forty-two) months from the Deemed Date of Allotment
Redemption Date / Maturity Date	August 14, 2028
Redemption Amount	The Debentures will be redeemed at par.
Early Redemption Notice	Not Applicable
Redemption Premium/ Discount	Not Applicable
Issue Price	At par
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Not Applicable
Put Date	At the end of two years from the deemed date of allotment being February 14, 2027
Put Price	At par
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	21 days prior to Put option date i.e. at the end of two years from the deemed date of allotment
Call Notification Time (Timelines by which the Issuer need to intimate	Not Applicable

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investor before exercising the call)	
Face Value	INR 1,00,000/- (Rupees One Lakh Only)
Minimum Application and in multiples of thereafter	INR 1,00,00,000/- (Rupees One Crore Only) and in multiples of INR 1,00,000/- (Rupees One Lakh Only) thereafter
Issue Timing	
1) Issue Opening Date	13 February 2025
2) Issue Closing Date	13 February 2025
3) Date of earliest closing of the Issue if any	NA
4) Pay-in Date	14 February 2025
5) Deemed Date of Allotment	14 February 2025
Settlement mode of the Instrument	RTGS
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	As set out in <b>Annexure IV</b>
Record Date	means the 15 (fifteen) calendar days prior to the relevant Payment Date
All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p><b>Side Letter:</b> NIL</p> <p><b>Accelerated payment:</b> Any early redemption or prepayment by Issuer is subject to applicable Law and subject to approval of the Majority Debenture Holders, please refer to 'Early Redemption', 'Accelerated Redemption' set out below in this Section 3.15.</p> <p><b>Covenants of the Issue:</b></p> <p><b>Affirmative Covenants</b></p> <p>Please refer to Section 4.1 (a) of this Key Information Document.</p> <p><b>Negative Covenants</b></p> <p>Please refer to Section 4.1 (b) of this Key Information Document.</p> <p><b>Reporting Covenants</b></p> <p>Please refer to Section 4.1 (c) of this Key Information Document.</p> <p><b>Financial Covenants</b></p> <p>Please refer to Section 4.1 (d) of this Key Information Document.</p>



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<p>Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the information document.</p>	<p>The amounts outstanding under the Debentures shall be secured:</p> <ul style="list-style-type: none"> <li>• on a first ranking exclusive and continuing charge basis by way of hypothecation in favour of the Debenture Trustee for the benefit of the Debenture Holders over Identified Receivables of the Issuer that fulfil the eligibility criteria set out here below under the heading 'Eligibility Criteria' ("Hypothecated Assets"), with the prescribed Security Cover on or prior to the Deemed Date of Allotment;</li> <li>• Issuer shall ensure creation, registration and perfection of the security over the Hypothecated Assets by way of filing CHG-9 with the regulatory authorities within 30 (thirty) calendar days from the execution of Hypothecation Agreement;</li> <li>• The Outstanding Principal Amount, shall be secured by (to the satisfaction of the Debenture Holders) by a first ranking and exclusive charge of 1.20x (one decimal two zero times) cover over the Hypothecated Assets which are free from any encumbrances/charge/lien;</li> <li>• The Issuer shall on a monthly basis hypothecate additional loans and/or replace such loans constituting the Hypothecated Assets that do not comply with the prescribed Eligibility Criteria, with loans that meet the Eligibility Criteria set out below to the Debenture Trustee such that the principal amounts outstanding under the loans constituting the Hypothecated Assets shall not be less than 1.20x (one decimal two zero times) of the aggregate amount of principal outstanding under the Debentures. Any additional loans added pursuant to the above to secure the Debentures shall be considered as part of the Hypothecated Assets.</li> <li>• The Issue shall replace any ineligible Receivables (beyond 90 dpd) with fresh receivables. Such change of receivables shall be affected within 15 (fifteen) business days after the month end of the Receivables becoming ineligible.</li> <li>• In the event of the Security Cover with respect to Hypothecated Assets falling below the stipulated cover, the Issuer shall, not later than 15 (fifteen) Business Days after the occurrence of such event, create security over additional performing loans that fulfil the prescribed Eligibility Criteria.</li> </ul> <p><u>Additional Security:</u></p>
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	<ul style="list-style-type: none"> <li>The Issuer shall deliver to the Debenture Trustee 2 duly filled undated cheques in favour of Debenture Trustee for the entire Issue size.</li> </ul>
Transaction Documents	<p>Including but not limited to the following documents:</p> <ol style="list-style-type: none"> <li>1. Debenture Trust Deed</li> <li>2. General information Document/Key Information Document/PAS-4</li> <li>3. Debenture Trustee Agreement;</li> <li>4. Deed of Hypothecation;</li> <li>5. Term Sheet;</li> <li>6. Board and Shareholders Resolution authorising the Issue;</li> </ol> <p>and</p> <p>Any other documentation as may be desired by the Debenture Trustee and mutually agreed with Issuer</p>
Conditions Precedent to Disbursement	<ol style="list-style-type: none"> <li>A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee.</li> <li>All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed.;</li> <li>Execution of the Transaction Documents, in a form and manner satisfactory to the Debenture Trustee shall have taken place;</li> <li>Rating of the Debentures being completed and the rating agency having provided a minimum rating of 'BBB' for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee;</li> <li>Due execution of the Depository Agreements by, inter-alia, the Depository and the Company;</li> <li>Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company;</li> </ol>

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	<p>vii. The Company shall have submitted to the Debenture Trustee, a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures.</p> <p>viii. The Company shall have received consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures;</p> <p>ix. The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</p> <p>x. Due Diligence Certificate in the format designated by the Debenture Holder in relation to Hypothecated Assets;</p> <p>xi. Certificate from a chartered accountant confirming that there is no encumbrance on the Hypothecated Assets;</p> <p>xii. Security creation in accordance with the Operational guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT) dated March 29, 2022;</p> <p>xiii. The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year or financial half-year.</p> <p>xiv. The Issuer shall deliver to the Debenture Trustee 2 duly filled undated cheques in favour of Debenture Trustee for the entire Issue size.</p>
Conditions Subsequent to Disbursement	<p>Company shall fulfil each of the following conditions within the stipulated timelines:</p> <p>i. the Company shall make the application for listing of the Debentures and obtain listing of the Debentures within the time period prescribed under SEBI NCS Listing Regulations and Circulars;</p> <p>ii. File return of allotment in Form PAS – 3, along with a complete list of allottees and containing the prescribed particulars, filed with the relevant Registrar of Companies within 2 (two) calendar days of the Deemed Date of Allotment of the Debentures;</p> <p>iii. Confirmation and details of the depository accounts of the Debenture Holders with the Depositories confirming that such account has been credited with the relevant Debentures as soon as possible but in event within 2 (two) calendar days from the Deemed Date of Allotment;</p>

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	<p>iv. Provide record of private placement offers maintained by the Company, including the offer of the Debentures, in Form PAS – 5, on the Deemed Date of Allotment;</p> <p>v. Provide evidence that the security shall have been perfected in a form and manner acceptable to the Debenture Trustee and the Form CHG-9 in respect of creation of hypothecation over the Hypothecated Assets has been filed with the relevant Registrar of Companies within 30 (thirty) calendar days from the date of execution of Hypothecation Agreement;</p> <p>vi. Provide a copy of the certificate of registration of charge issued by the relevant Registrar of Companies in connection with the security created under the Hypothecation Agreement within 1 (one) Business Day of the receipt thereof by the Company;</p> <p>vii. Provide a certificate from statutory auditor, certifying (i) the actual utilisation of the Debentures; and (ii) that the Debentures have been used towards the Purpose; and provide supporting documents to be provided to the Debenture Trustee within 45 (forty five) calendar days from the Deemed Date of Allotment.</p> <p>viii. The Company will provide all information and assistance that the Debenture Trustee may require, to enable it to file the prescribed Form I with CERSAI within the time period prescribed under the Hypothecation Agreement.</p> <p>ix. comply with applicable provisions of SEBI NCS Listing Regulations and Circulars and the Companies Act 2013 (as applicable) for issuance of Debentures.</p>
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to Section 4.2 of the Key Information Document.
Creation of recovery expense fund	<p>Details and purpose of the recovery expense fund</p> <p>1) The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI Debenture Trustees Circular, in accordance with and within the timelines prescribed in the Chapter IV of the SEBI Debenture Trustees Circular. The Issuer proposing to list debt securities shall deposit an amount equal to 0.01% of the Tranche issue size of the Secured Debentures subject to maximum of INR 25,00,000/- (Indian Rupees Twenty-Five Lakhs only) per issuer towards the recovery expense fund with the 'Designated Stock Exchange', pursuant to the SEBI</p>

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	<p>Debenture Trustees Circular, as may be amended from time to time.</p> <p>2) The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents.</p> <p>3) The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents.</p> <p>4) On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI Debenture Trustees Circular for utilisation of the Recovery Expense Fund.</p>
Conditions for breach of covenants (as Specified in Debenture Trust Deed)	Please refer to Section 4 of the Key Information Document.
Provisions related to Cross Default Clause	Please refer to Section 4.3 of the Key Information Document.
Role and Responsibilities of Debenture Trustee	<p>In addition to the other powers conferred on the Debenture Trustee and provisions for their protection and not by way of limitation or derogation of anything contained in the Debenture Trust Deed/ this Key Information Document or of any statute limiting the liability of the Debenture Trustee, IT IS EXPRESSLY DECLARED as follows:</p> <p>i. the Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise;</p> <p>ii. the Debenture Trustee shall be the attorney of the Company and shall have the right to execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Company, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee;</p> <p>iii. the Debenture Trustee is not permitted to release / exclude any part of the Hypothecated Assets temporarily or permanently from the security created / to be created for the Debentures except in accordance</p>

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	<p>with a Majority Resolution;</p> <p>iv. subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof and in the absence of any fraud, gross negligence, willful misconduct or breach of trust shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof and in particular they shall not be bound to act at the request or direction of the Debenture Holders under any provisions of these presents unless sufficient monies shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same and the Debenture Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;</p> <p>v. with a view to facilitating any dealing under any provisions of these presents the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;</p> <p>vi. the Debenture Trustee shall not be responsible for the monies paid by Applicants for the Debentures;</p> <p>vii. without prejudice to the rights to indemnity by Law given to the Debenture Trustee, the Debenture Trustee and every receiver, attorney, manager, agent or other person appointed by them shall, subject to the provisions of the Act, be entitled to be indemnified by the Company in respect of all liabilities and expenses incurred by them or him in the execution or purported execution of the powers and trusts thereof and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted and the Debenture Trustee may retain and pay out of any monies in their hands the amount of any liabilities and expenses necessary to effect such indemnity and also remuneration of the Debenture Trustee as herein provided or otherwise howsoever arising out of or in connection with these presents or the issue of the Debentures;</p> <p>viii. the Debenture Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof and every such</p>
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	<p>determination bonafide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) in the absence of any fraud, gross negligence, willful misconduct or breach of trust, shall be conclusive and binding upon all persons interested hereunder;</p> <p>ix. subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall not be liable for anything whatsoever except any fraud, gross negligence, willful misconduct or breach of trust by the Debenture Trustee;</p> <p>x. subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee, except for any fraud, gross negligence, willful misconduct or breach of trust, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders and the Debenture Trustee shall not be bound to perform, exercise or do any such acts, powers or things or to take any such steps unless and until sufficient moneys shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same by or on behalf of the Debenture Holders or some of them in order to provide for any costs, charges and expenses which the Debenture Trustee may incur or may have to pay in connection with the same and the Debenture Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liabilities which may be incurred in complying with such request;</p> <p>xi. notwithstanding any contained to the contrary in the Debenture Trust Deed/ this Key Information Document, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;</p>
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	<p>xii. the Debenture Trustee shall forward to the Debenture Holders copies of any information, documents from the Company pursuant to the Debenture Trust Deed/ this Key Information Document within 2 (two) Business Days of receiving the same from the Company; and</p> <p>xiii. The Debenture Trustee shall take all reasonable steps to realise the monies due to the Trust.</p> <p>xiv. The Debenture Trustee shall have the right to rely on notices, communications, advertisement, website information of Issuer and any other related party with respect to issue etc.</p> <p>PROVIDED THAT nothing contained in this Clause shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.</p>
Risk factors pertaining to the issue	Please refer to Section 3 ( <i>Risk Factors</i> ) of the General Information Document
Governing Law	<p>The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in New Delhi, India.</p> <p>Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.</p>
Additional Disclosures (Delay in Listing)	<p>In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (<i>Standardization of timelines for listing of securities issued on a private placement basis</i>) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "<i>Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper</i>" (as amended and modified from time to time), the Issuer confirms that In the event there is any delay in listing of the Non-Convertible Securities beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment the Non-Convertible</p>



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	Securities until the listing of the Non-Convertible Securities is completed.
Buy Back	Issuer can buy back Debentures subject to applicable Law and as per the Transaction documents.
Early Redemption	Subject to applicable Law the Issuer will have the option to prepay the Debentures, as per applicable Laws, by providing 30 (thirty) calendar days prior notice to the Debenture Trustee and paying an Early Redemption Premium of 2% over and above the Interest Rate on the outstanding principal amount and accrued interest, if any.
Accelerated Redemption Events	<p>shall mean the occurrence of any one or more of the following events:</p> <ul style="list-style-type: none"> <li>i. Breach of any of the covenants as mentioned under the Transaction Documents;</li> <li>ii. In the event of rating of the Company being downgraded to ICRA BB+ Stable, i.e. two notches below its current rating;</li> <li>iii. In case the accelerated redemption clause is triggered in any other debentures outstanding under any other ISIN and or in any other borrowing outstanding.</li> </ul>
Accelerated Redemption	<p>The Debenture Holder(s) individually shall have the option to require the Issuer to redeem the debentures ("<b>Accelerated Redemption</b>") on happening of any of the Accelerated Redemption Events. Upon the exercise of the Accelerated Redemption by the Debenture Holder(s), the Debenture Trustee shall issue a notice to the Issuer for redemption of all amounts outstanding in relation to such debentures as on the date of exercise of the 'Accelerated Redemption' option ("<b>Accelerated Redemption Notice</b>").</p> <p>the Company shall make payment of all the Outstanding Amounts to such accounts as may be prescribed by the Debenture Trustee or the Debenture Holders within the exercise period of at least 3 (three) Business Days commencing on the expiry of a period of 21 (twenty one) days following the providing of the Accelerated Redemption Notice and expiring on the expiry of a period of 30 (thirty) calendar days from the providing of the Accelerated Redemption Notice wherein it is mutually agreed between the Parties that such payment shall be made on the last day of the aforementioned exercise period.</p>
Cure Period	<p>Cure Period for Financial Covenants means 60 calendar days from the date of commencement of breach.</p> <p>Cure Period for Negative Covenants means 60 calendar days from the date of commencement of breach.</p> <p>Cure Period for Reporting Covenants means 60 calendar days from the date of commencement of breach.</p>

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	Cure Period for Other Covenants means 60 calendar days from the date of commencement of breach.
Reissuance of Debentures	The Issuer reserves the right to make multiple issuances under the same ISIN. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be.

- (a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure permission for listing of the Debentures from the Stock Exchange within (T+3) working days, wherein "T" shall be referred to the issue closing date ("**Listing Period**").
- (b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.
- (c) In the event there is any delay in listing of the Debentures beyond (T+3) working days, wherein "T" shall be referred to the issue closing date, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed.

**Note:**

1. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.
2. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.
3. While the debt securities are secured to the tune of 120% of the principal and interest amount or as per the terms of offer document/ General Information Document/ key Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
4. The Issuer shall provide granular disclosures in this Key Information Document, with regards to the "**Object of the Issue**" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

The proceeds of the issue will be utilized toward ongoing lending operations of the Company.

5. Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.
6. Before making the application for listing of debt securities, the Issuer shall create charge as specified in the Debenture Trust Deed/ General Information Document/ Key Information Document, in favour of the debenture trustee and also execute debenture trust deed (DTD) with the Debenture trustee. The Stock Exchange(s) shall

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list the debt securities only upon receipt of a due diligence certificate as per format specified in NCS Listing Regulations from debenture trustee confirming creation of charge and execution of the Debenture Trust Deed. The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.

**7. Future Borrowings**

The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee in this connection. However, no such borrowings will have the benefit of the security interest created over the Hypothecated Assets and granted to the Debenture Trustee and Debenture Holders under the Transaction Documents. Notwithstanding anything contained in this Clause, the Company shall continue to comply with the financial covenants set forth in the Debenture Trust Deed.

**8. Force Majeure**

In the event of a Force Majeure occurrence, all Financial Covenants and other covenants stipulated in this Key Information Documents and the other Transaction Documents shall be rendered temporarily ineffective from the date the Force Majeure event commences until such time as the event subsides and normal conditions resume. During this period, the Issuer shall not be deemed in breach of any obligations, nor liable for any failure or delay in performing any terms of this Key Information Documents and the other Transaction Documents caused by the Force Majeure event. The Issuer shall promptly notify the other party of the occurrence and cessation of the Force Majeure event and shall use reasonable efforts to mitigate the impact of the event on the performance of their obligations. Upon the subsidence of the Force Majeure event, the parties shall resume performance of their respective obligations under this Key Information Documents and the other Transaction Documents.

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## SECTION 4: TRANSACTION DOCUMENTS AND KEY TERMS

### 4.1 COVENANTS OF THE ISSUER:

#### (I) AFFIRMATIVE COVENANTS

a. ***Utilization of the issue proceeds***

The Company shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in the Debenture Trust Deed/ this Key Information Document.

b. ***Amendment of Articles of Association***

Issuer has amended and incorporated provisions in their Articles of Association, authorizing the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 as specified SEBI Listed Debentures Circulars and Regulations;

c. ***Notice of winding up or other legal process***

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company;

d. ***Loss or damage by uncovered risks***

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

e. ***Costs and expenses***

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs;

f. ***Payment of Rents, etc***

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Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under the Debenture Trust Deed/ this Key Information Document;

g. ***Preserve corporate status; authorisations***

Company shall

- i. diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed; and
- ii. conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel;
- iii. promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures;

h. ***Pay stamp duty***

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand;

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i. ***Furnish information to Debenture trustee***

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

j. ***Grievance***

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;

k. ***Specific Information to be provided to the Debenture Trustee***

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

- i. notice of any Event of Default or potential Event of Default, each as listed in **Section 4.2** of this Key Information Document;
- ii. periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange (if the Debentures are listed);
- iii. details of any litigation, arbitration or administrative proceedings, etc. including those that are required to be disclosed to the stock exchange under the listing agreement entered into with the stock (if the Debentures are listed);
- iv. any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and
- v. the declaration or distribution of dividend;

l. ***Comply with Investor Education and Protection Fund requirements***

Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it;

m. ***Further assurances***

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Company shall

- i. execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- ii. furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
- iii. obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the Debenture Trust Deed/ this Key Information Document or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed/ this Key Information Document;
- iv. comply with:
  - A. all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time
  - B. the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
  - C. the provisions of the Act in relation to the issue of the Debentures;
  - D. Comply with any monitoring and/or calls from Debenture Trustee on a quarterly basis;
  - E. In the event of failure by the Issuer to meet standards with respect to collection quality, management, governance, internal systems and processes, and data integrity, as may be required by the Debenture Holder. The Debenture Trustee shall be authorised by the Debenture Holders to conduct such discretionary audits on its behalf.

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- F. procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and
- G. The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

n. **Security**

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- i. the Debentures shall be secured by charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- ii. that all the Hypothecated Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;
- iii. shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio with respect to the Hypothecated Assets is maintained and towards this end, it shall on or before each Monthly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or Replace any Receivables constituting the Hypothecated Assets in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times from the First Security Cover Determination Date until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the CERSAI in relation thereto as soon as practicable;
- iv. shall, on the First Security Cover Determination Date and every Monthly Security Cover Reporting Date, as also whenever required



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by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;

- v. the security interest created on the Hypothecated Assets shall be a continuing security as described in the Hypothecation Agreement;
- vi. the Hypothecated Assets shall satisfy the Eligibility Criteria set out in **Section 1**;
- vii. nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and
- viii. the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under the Debenture Trust Deed/ this Key Information Document;

o. ***Filings***

The Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Operating Circular and NCS Regulations.

p. ***Amounts to be reimbursed to the Debenture Trustee***

Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;

q. ***Delay in Security Creation***

Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the Hypothecation Agreement or in the event the Security Cover Ratio is not met on or prior to the First Security Cover Determination Date, the Company will, at the option of the Debenture Holders, either:

- i. refund the Application Money as set out in Section 3.15 of this Key Information Document, to the Debenture Holders; or
- ii. pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date

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of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.

r. ***Books of Account***

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

s. ***Material Adverse Effect***

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof;

t. ***Insurance***

Company shall maintain requisite insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with;

u. ***Corporate Governance***

- i. the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
- ii. the Company shall at all times comply with the NBFC Master Directions.

v. ***General***

- i. the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;
- ii. the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;

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- iii. the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that impacts the interests of the Debenture Holders;
- iv. the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time; and
- v. the Company shall obtain, comply with and maintain all necessary licenses / authorisations; and
- vi. the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

w. **Access**

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

- i. check the management of the funds made available through subscription to the Debentures;
- ii. inspect and take copies and extracts from the books, accounts and records of the Company;
- iii. visit and inspect the premises of the Company; and
- iv. meet and discuss matters with senior management employees of the Company.

x. **Conditions Subsequent**

Company shall comply with the conditions stipulated in **Section 3.15** (*Conditions Subsequent*) of this Key Information Document.

y. **Financial Covenants**

Company shall comply with the financial covenants stipulated in Section 3.1(d) of this Key Information Document.

z. **Issue Terms and Conditions**

At all times during the term of these presents comply with each of the Issue Terms and Conditions.

aa. **Internal Controls**

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.

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bb. ***Borrowing from Promoter***

Except for any external commercial borrowings provided by the Promoters of the Issuer, any credit / loan provided by the Promoter of the Issuer shall rank subordinated / subservient to this Issue.

If the Issuer avails any other credit facility guaranteed by the Mr. Tushar Aggarwal/ Ms Shruti Aggarwal during the Tenor, then the Issuer shall cause Mr. Tushar Aggarwal/ Ms Shruti Aggarwal to provide a guarantee to the Debenture Trustee to the extent of outstanding obligations under this Issue.

cc. ***Information to Debenture Trustee***

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as laid out under SEBI Listed Debentures Circulars and Regulation.

(II) **NEGATIVE COVENANTS**

The Issuer shall take the prior written permission from the Majority Debenture Holder(s) / Debenture Trustee for the following. However, The Debenture Trustee may approve any application for consent in respect of the below matters, if Debenture Holders' representing more than 50% (fifty percent) of the outstanding principal amounts of the Debentures provide their consent, within a period of 3 (three) Business Days from the date of receipt of such request/notification from the Debenture Trustee, else the application for consent will be deemed as approved.

The Debenture Trustee may approve any application for consent in respect of the above matters, if Debenture Holders' representing more than 25% (twenty five percent) of the outstanding principal amounts of the Debentures do not vote against granting consent in respect of any such application for consent, within a period of 7 (seven) Business Days from the date of receipt of such request/notification from the Debenture Trustee. Provided that any consent asked by the Issuer for any of the above-mentioned activities shall be given by the Debenture Holders within a period of 7 (seven) Business Days post which the Debenture Holders shall have to be deemed to have given its consent. However, the deemed consent as stated herein is not applicable on an Event of Default by the Issuer.

a. ***Change of business;***

Issuer shall not change the general nature of its business from that which is permitted by the RBI nor undertake any new major new business outside financial services or any diversification of its business outside financial services.

b. ***Change in constitutional documents***

Change or make any alteration to its Constitutional Documents, where such amendment would have a Material Adverse Effect. The above does not apply to any changes to effect an increase in authorized share capital and

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any changes to the articles of association to reflect the terms of any equity infusion or strategic sale.

**c. Change in Promoters/ Shareholding**

- i. Mr. Tushar Aggarwal ceases to remain on the board of the Issuer and ceases to hold an executive position in the Company.
- ii. The Promoter shall not collectively or individually transfer or encumber the shares of the Company held by them respectively without the prior written consent of the Debenture Holder(s). Without prejudice to the above, any change in the stake of the Promoter below the existing level set out in the following table shall require prior written consent of the Majority Debenture Holder(s):

Category	Shareholding Type	Shareholding to be maintained throughout the Tenor of the NCD
Promoter	Basic	75%

**d. Dividend**

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

- i. the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
- ii. no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;
- iii. the Company is in compliance with the financial covenants set forth in Section 3.1(d) of this Key Information Document; and
- iv. the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

**e. Merger, consolidation, etc.**

Undertake or permit any merger, acquisition, restructuring, amalgamation over and above 10% (ten per cent) of the Net worth of the Company in a financial year; other than as set out in this clause, the Company shall not, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;

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f. **Associates, Subsidiaries, and Joint Ventures**

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures.

g. **Acquisition**

Acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise.

h. **Buy Back**

The Company will not purchase or redeem any of its issued shares except equity shares allotted under ESOP scheme of the Company or reduce its share capital.

i. **Joint Venture**

Without the prior written consent of the Majority Debenture Holders:

- i. acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or
- ii. transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

j. **Loans and Guarantees**

The Company shall not:

- i. extend a loan to any single individual or entity amounting to greater than 1% (one percent) of its Tangible Net Worth; or
- ii. undertake to guarantee the liabilities of any individual or entity, other than for co-lending and securitization transactions; or
- iii. directly or indirectly lend to any its Promoters (as defined in the Act) or any Related Parties) which exceeds 10% (ten percent) of net worth of the Company.

k. **Arm's length basis; No profit sharing arrangements**

The Company shall not, without the prior written consent of the Majority Debenture Holders:

- i. enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;

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- ii. enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or
- iii. enter into any management contract or similar arrangement whereby its business or operations are managed by any other person; or
- iv. enter into or perform any transaction other than in its ordinary course of business.

**l. Immunity**

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders. Claim for itself or its assets immunity from any suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process in any jurisdiction

**m. Liabilities**

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

**n. Change of control**

The Company will not permit a change of Control during the tenor of the Debentures.

**o. Disposal of Assets**

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets/business/division that has the effect of exiting the business or re-structuring of the existing business of the Company, other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business.

Company shall not dispose of its assets or compromise with any of its creditors without the prior written consent of the Debenture Holder(s), except in the ordinary course of and pursuant to the reasonable requirements of the Company's business and upon fair and reasonable terms;

**p. Management Control**

Any change in management Control of the Company. Any dilution of control over Board composition, other than appointment of independent directors.

**q. Compromise or Settlement**

Enter into compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

**r. Anti-money laundering**

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Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

**s. Related Party Transactions**

Without prior written intimation to the debenture trustee, the Issuer shall not enter into or perform any transaction(s) with a related party other than in the ordinary course of business.

Without affecting the above clause, the Issuer shall not, save and except in case of ordinary course of business, without the prior written consent of the Debenture Trustee (i) enter into any transaction(s) (other than as mentioned in above clause) whereby the overall outstanding amount owed to the Issuer under the said transaction(s) exceeds 10% (Ten percent) of its net worth, (ii) whereby the overall expense incurred through such transaction(s) other than as mentioned in above clause) during any financial year exceeds 10% (Ten percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party. The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).

The Debenture Trustee may approve any application for consent in respect of the above matters, if Debenture Holders' representing more than 50% (fifty percent) of the outstanding principal amounts of the Debentures provide their consent, within a period of 7 (seven) Business Days from the date of receipt of such request/notification from the Debenture Trustee.

**t. Financial Year**

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

**u. Others**

Without prejudice to anything stated herein the Company shall not permit sale/ transfer/ disposal of (i) equity shares of the Company, or (ii) instruments that are compulsorily and mandatorily convertible into equity shares of the Company, by the Promoter(s) and/ or (iii) permit the Promoter(s) to exit from management activities in relation to the Company

**(III) REPORTING COVENANTS**



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Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), and Portfolio Reviewer in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

a. Monthly Reports

As soon as available and in any event within 30 (thirty) calendar days after the end of each monthly provide:

- i. Details of Identified Receivables including book debts/receivables statement, debtor summary, in a format acceptable to the Debenture Holder(s);

b. Quarterly Reports

As soon as available and in any event within 45 (forty-five) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- i. Financials and other operational metrics as per the requirement and format agreed with the Debenture Holders, from time to time including but not limited to capital structure, financial information, latest shareholding, CRAR calculations, latest borrowing profile, detailed business projections, portfolio cuts, DPD data, vintage data, operations data, collections efficiency, prepayments, write-off, related party transactions & o/s balances, RBI Returns, Top 20 borrower. The above data, whatever applicable, shall also be shared for the parent or holding company, if applicable;
- ii. the shareholding structure and composition of the board of directors in the Company;
- iii. Certificate from statutory auditor within 30 (thirty) calendar days of end of each quarter confirming Company's compliance with the Financial Covenants;
- iv. the Company shall submit progress performance reports to the Debenture Holder(s) on a Quarterly basis in the format to be specified from time to time;
- v. Details of Quarterly ALM (asset liability mismatch) of the Issuer;
- vi. The Company shall furnish quarterly report to the Debenture Trustee within 45 (forty-five) days from the end of the relevant quarter or 7 (seven) days of the board meeting, whichever is earlier containing the following particulars:
  - a) Updated list of the names and addresses of the Debenture Holders.
  - b) Details of the Interest due, but unpaid and reasons thereof.
  - c) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.

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d) A statement that the Hypothecated Assets is sufficient to discharge the claims of the Debenture Holders as and when they become due.

vii. As soon as available and in any event within 30 (thirty) calendar days of the succeeding month after the end of each quarterly reporting period of the Company, the Company shall furnish book debt certificate and hypothecated pool certify by an independent chartered accountant, with the confirmation that all of the Loan receivables hypothecated to the Debenture Trustee are meeting Security Cover criteria;

c. Half Yearly Reports –

Half yearly financial results, certificate from the independent chartered accountant/authorised signatory of the Issuer giving the value of receivables/book debts including compliance with the covenants of the Disclosure Document.

d. Annual Reports

As soon as available, and in any event within 180 (one hundred and eighty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- i. certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with Indian GAAP including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;
- ii. Certificate from an independent chartered accountant conforming compliance with the Financial Covenants based on audited financial statement;
- iii. Certificate signed by an statutory auditors shall be furnished on an annual basis by the Issuer, certifying that the receivables created out of the issuance are hypothecated to the Debenture Holder(s) and Debenture Holder(s) has exclusive first charge on the receivables created out of the issuance and the Security Cover of 1.20x. Such certificate should contain, amongst other details, details of receivables (i.e. loan ID, location, amount sanctioned, amount outstanding, overdue status) hypothecated to Debenture Holder(s).

e. Event Based Reports

- i. The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 10 Ten) Business Days from the occurrence of such event:

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- a. the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;
  - b. the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;
  - c. the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;
  - d. the Company makes any prepayment or receives a notice of any prepayment of any Financial Indebtedness of the Company as a result of event of default;
  - e. Any dispute, litigation, investigation, or other proceeding against the Company which has a Material Adverse Effect;
  - f. Any Event of Default, and any steps taken/ proposed to remedy the same;
  - g. Change in shareholding structure;
  - h. the Company alters its Constitutional Documents; and
  - i. any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company.
  - ii. Any exercising of put option wherever applicable by any debt holder shall be intimated within 15 (Fifteen) Business Days of such action to the Debenture Trustee and Debenture Trustee shall have similar rights on the aforesaid debt.
- f. Disclosures under listing regulations

The Company disclose all such information to the Debenture Trustee under applicable laws and shall file with the BSE all such information as required under SEBI Listed Debentures Circulars and Regulations including all disclosures as set out in Clause 2.14 (I) of this Key Information Document.

#### **(IV) FINANCIAL COVENANTS**

The Company shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

- a) Total Debt/Tangible networth ratio to be within 4x
- b) Maintenance of minimum capital adequacy ratio (CAR) of 20.00% or regulatory minimum requirement as prescribed by RBI, whichever is higher
- c) Gross NPA to Total AUM not more than 7%
- d) Net NPA to Total AUM not more than 5%

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- e) Earnings: After-tax Net Income (excluding extraordinary income) to remain positive. The said covenant to be tested on quarterly and on Annual basis.
- f) There shall not be any negative mismatches on cumulative basis in any of the buckets till the next one year of ALM statement after incorporating all the liabilities of the Issuer incorporating Put Options/ Reset Options etc. (in any form). The asset will include all the unencumbered Cash and Cash equivalent maturing across all the buckets of the ALM as part of the opening asset balance. Unutilized bank lines, undisbursed committed sanctions of the company and cash credit limits shall not be taken into account while testing the same
- g) Issuer shall not prepay any loans or redeem NCDs; voluntarily or mandatorily before its stated maturity (subject to pre-agreed call options and put options) such that it leads to a negative mismatch on cumulative basis in any of the buckets of ALM statement up to the residual Tenor of the Debenture after incorporating all the liabilities of the Issuer including Put Options/interest reset on liabilities. Unutilized bank lines shall not be taken into account while testing the same.
- h) Any other additional covenant as may be mutually agreed and shall form a part of the transaction documents.

#### Definitions

- a. **"CAR"** refers to Capital Adequacy Ratio, for the purpose of calculation of CAR:
  - i. First loss credit enhancements provided by the issuer on securitization shall be reduced from Tier I capital and Tier II capital [without any ceiling]
  - ii. Credit Enhancements provided by the issuer on loans originated in behalf of the other institutions shall be reduced from Tier I and Tier II capital without any ceiling The deduction shall be at 50% from Tier I capital and 50% from Tier II capital
  - iii. It is also clarified that in computing the amount of subordinated debt shall be subject to discounting as prescribed by the RBI
- b. **"Net NPA"** means Gross Non- Performing Assets – Total Provision held
- c. **"Tier I Capital"** shall have the meaning given to it in the NBFC Master Directions
- d. **"Tier II Capital"** shall have the meaning given to it in the NBFC Master Directions
- e. **"Total Debt"** is the sum of all the liabilities of the issuer which includes short-term borrowing and long-term borrowing
- f. **"Tangible Net Worth"** means, with respect to any person, the amount paid up on such person's issued equity share capital compulsorily convertible instruments and any amount standing up to the credit of its reserves, less equity and equity like investments, goodwill, deferred tax assets, and other intangible assets.

All covenants would be tested on quarterly basis i.e. as on 31 March, 30 June, 30 Sept and 31 Dec every year, starting from March 31, 2025 on standalone balance sheet till the redemption of the Debentures. The covenants shall be certified by the statutory auditor of the Company within 45 (Forty-Five) calendar days from the end of each reporting quarter.

## 4.2 EVENTS OF DEFAULT

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a. **Payment Defaults**

The Company does not pay on the Due Date any amount payable pursuant to the Debenture Trust Deed/ this Key Information Document and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable.

b. **Insolvency / Inability to Pay Debts / Distress**

- i. The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.
- ii. The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.
- iii. Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

c. **Charge over Hypothecated Assets**

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Hypothecation Agreement without the consent of the Majority Debenture Holders.

d. **Business**

The Company without obtaining the prior consent of the Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so. Any revocation of operating licenses of the Company issued by the Reserve Bank of India and/ or the Securities and Exchange Board of India which would impact the business of the Company;

Any failure by the Company to meet standards with respect to management, governance, and data integrity, as may be required by the Investor as per RBI regulations

e. **Security in Jeopardy**

- i. In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;
- ii. If, the security provided pursuant to the Hypothecation Agreement depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to

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that effect such security has not been given to the Debenture Trustee to their satisfaction;

- iii. If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or
- iv. the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum-Security Cover Ratio specified in the Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

f. **Misrepresentation**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading when made or deemed made.

g. **Material Adverse Change**

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 30 (Thirty) Business Days.

If one or more legal or governmental proceedings have been initiated and admitted by the competent court of law against the Company or any claims are made against the Company, which in the opinion of the Majority Debenture Holder(s), may impair the Company's ability to perform its obligations undertaken in terms of the Transaction Documents or which has a Material Adverse Effect;

h. **Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator**

- i. Any corporate action, legal proceedings or other procedure or step is taken in relation to:
  - A. the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation, restructuring of borrowing (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;
  - B. a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;
  - C. the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company or its Affiliate; or

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- D. the Company or its Affiliate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));
- E. the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate; or
- F. enforcement of any security over any Assets of the Company or its Affiliate. Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (F) above.
- G. An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Majority Resolution of Debenture Holders.

i. **Cross Default**

The Company

- (i) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created;
- (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or
- (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.
- (iv) Cross default of the Company (including where the Company has made a payment default in relation to any of its financial indebtedness or there has been acceleration of payment due to any covenant breach for any of its financial indebtedness) or any securitisation exposures being downgraded;

j. **Creditors' Process**

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- i. All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.
- ii. The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.
- iii. The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.
- iv. The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.
- v. Any restructuring of borrowing arrangement;
- vi. Any expropriation, attachment, sequestration, distress or execution affects any assets of the Company which has a Material Adverse Effect on their ability to comply with its payment obligations under the Transaction Documents in the opinion of the Majority Debenture Holders/Debenture Trustee.

k. **Judgments Defaults**

One or more judgments or decrees entered against the Company involving a liability individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) consecutive calendar days.

l. **Transaction Documents**

- i. The Debenture Trust Deed/ this Key Information Document or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.
- ii. In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority



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contemplated under the Transaction Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable.

m. **Unlawfulness**

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

n. **Repudiation**

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

o. **Reporting Covenants**

The failure to comply with any reasonably monitoring and/or servicing requests from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed in Section 3.1(c) of this Key Information Document in the event the same is not remedied within the cure period provided in the Debenture Trust Deed/ this Key Information Document.

p. **Government Intervention**

- i. Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;
- ii. Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or
- iii. The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

q. **Cessation**

The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

r. **Alteration in Constitutional Documents**

The Company, without the previous consent in writing of the Debenture Trustee/Majority Debenture Holders, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change affect the interests of the Debenture Holder(s) and (ii) the Company refuses or neglects to or is unable to rescind such alteration.

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s. **Non-compliance with judicial order**

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

t. **Erosion of Net Worth**

The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Act) of the Company has eroded by 50% or more.

u. **Merger**

The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

v. **Sale, disposal**

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

w. **Third party**

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor (provided the same is not remedied within the cure period provided under such agreements) and pursuant to which the Company is called upon to and makes a prepayment to a 3rd party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

x. **Revocation of license**

Revocation of operating licenses or other authorisations of the Company

y. **Wilful default**

Any Promoters or directors or key management personnel of the Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, any act of fraud, misrepresentation, negligence and default, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery.

z. **Breach of Covenants**

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- a. Any breach of financial covenants stipulated in Section 3.1(d) of this Key Information Document and such breach is not remedied within the Cure Period for Financial Covenants (if capable of remedy).
- b. Any breach of negative covenants mentioned in Section 3.1(b) of this Key Information Document such breach is not remedied within the Cure Period for Negative Covenants (if capable of remedy).
- c. Any breach of reporting covenants mentioned in Section 3.1(c) of this Key Information Document and such breach is not remedied within the Cure Period for Reporting Covenants (if capable of remedy).
- d. Any breach of other covenants as stated in the Transaction Documents and the same is not cured within the Cure Period for Other Covenants.

aa. **Failure to report event of default and other obligations**

Failure to certify/confirm the non-occurrence of any Event of Default in the manner prescribed in the Transaction Document;

#### **4.3 CONSEQUENCES OF AN EVENTS OF DEFAULT AND REMEDIES**

1. If one or more of the events specified in Section 3.2 of this Key Information Document occur(s), the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Majority Debenture Holders or by a Majority Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in **Clause 6** (*Provisions for the meetings of the Debenture Holders*) hereto by a notice in writing to the Company initiate the following course of action:
  - a. require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with the Debenture Trust Deed/ this Key Information Document and other Transaction Documents;
  - b. declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable;
  - c. enforce any security created pursuant to the Hypothecation Agreement in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;
  - d. appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;
  - e. to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company,
  - f. take necessary action of either enforcing the security or entering into the Inter Creditor Agreement or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Majority Debenture Holders, including the decision of formation of a committee of the Debenture Holder(s) to participate in the inter creditor agreement or to enforce the Security or as may be

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decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to inter creditor agreement matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other applicable Laws.

- g. take all such other action expressly permitted under the Debenture Trust Deed/ this Key Information Document or in the other Transaction Documents or permitted under the Law including invocation of guarantee (if applicable); and
- h. Entering into, and the performance of any obligations under any inter-creditor agreement (pursuant to the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets", as amended, modified or restated from time to time) or any resolution plan shall be subject to the terms of the relevant circular issued by SEBI related to defaults (including without limitation, the resolution plan being finalised within the time period prescribed in any such circular/law.
- i. exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.

*\*This Key Information Document shall be treated as a Transaction Document and should be read with other Transaction Documents.*

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## **SECTION 4: OTHER INFORMATION AND APPLICATION PROCESS**

The Non-Convertible Securities being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Key Information Document, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

### **4.1 Mode of Transfer/Transmission of Debentures**

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

### **4.2 Non-Convertible Securities held in Dematerialised Form**

The Non-Convertible Securities shall be held in dematerialised form and no action is required on the part of the Non-Convertible Securities Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Non-Convertible Securities will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

### **4.3 Sharing of Information**

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

### **4.4 Non-Convertible Securities Holder not a Shareholder**

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Non-Convertible Securities shall not confer upon the

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Debtenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

#### **4.5 Modification of Non-Convertible Securities**

The Debtenture Trustee and the Issuer will agree to make any modifications in the General Information Document which, in the opinion of the Debtenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Non-Convertible Securities shall require approval by the Majority Debtenture Holders.

#### **4.6 Right to accept or reject Applications**

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Non-Convertible Securities, in part or in full, without assigning any reason thereof.

#### **4.7 Notices**

Any notice in respect of the Non-Convertible Securities may be served by the Issuer upon the Debtenture Trustee/Debtenture Holders in accordance with the terms of the Transaction Documents.

#### **4.8 Issue Procedure**

Only Eligible Investors as given hereunder may apply for the Non-Convertible Securities by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Non-Convertible Securities that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debtenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

#### **4.9 Application Procedure through EBP Bid Process as per EBP Guidelines:**

- a. In order to be able to bid under the BSE EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the EBP Guidelines or applicable law. The Company is entitled at any time to require an Eligible Investor to provide any know your customer or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws.

All Eligible Investors are required to register themselves as a one-time exercise (if not already registered) with the BSE EBP Platform for participating in electronic book building mechanism.

Eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE.

Eligible Investors will also have to complete the mandatory know your customer verification process. Eligible Investors should refer to the EBP Guidelines in this respect.

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The details of the Issue shall be entered on the BSE EBP Platform by the Company at least 2 (two) Business Days prior to the Issue Opening Date, in accordance with the EBP Guidelines.

- b. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE EBP Platform, at least 1 (one) Business Day before the start of the Issue Opening Date.

Some of the key guidelines in terms of the current EBP Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

- a) Modification of Bid: Eligible Investors may note that modification of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, revision of bid is only allowed for upward revision of the bid amount placed or to improve the coupon or yield by the Eligible Investor.
- b) Cancellation of Bid: Eligible Investors may note that cancellation of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, no cancellation of bids is permitted.
- c) Multiple Bids: Bidders are permitted to place multiple bids on the BSE EBP Platform in line with the BSE EBP Guidelines and the EBP Guidelines.
- d) Manner of bidding: The Issue will be through closed bidding on the BSE EBP platform in line with the BSE EBP Guidelines and the EBP Guidelines.
- e) Manner of allotment: The allotment will be done on uniform yield basis in line with the BSE EBP Guidelines and the EBP Guidelines.
- f) Manner of settlement: Settlement of the Issue will be done through online transfer and the account details are given in the section on Payment Mechanism of this General Information Document.
- g) Settlement cycle: The process of pay-in of funds by investors and pay-out to Company will be done on T+2 trading day, where T is the Issue Closing Date.

Offer or Issue of executed offer letters cum application forms to successful Eligible Investors. The offer letters cum application forms along with the Application Form will be issued to the successful Eligible Investors, who are required to complete and submit the Application form to the Company in order to accept the offer of Debentures.

No person other than the successful Eligible Investors to whom the offer letters cum application forms has been issued by the Company may apply for the issue through the offer letters cum application forms received from a person other than those specifically addressed will be invalid. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid.

The final subscription to the Non-Convertible Securities shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

<b>Details of size of the Issue including green</b>	<b>Total Issue:</b> Issue of up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable,
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<b>shoe option, if any</b>	redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) (" <b>Debentures</b> ") <b>Base Issue:</b> 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only) <b>Green Shoe Option:</b> up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only)
<b>Anchor Portion Details</b>	NIL
<b>Interest rate parameter</b>	Fixed Coupon
<b>Bid opening and closing date</b>	Bid opening date: 13 February 2025 Bid closing date: 13 February 2025
<b>Minimum Bid lot</b>	INR 1,00,00,000/- (Rupees One Crore Only) and in multiples of INR 1,00,000/- (Rupees One Lakh Only) thereafter
<b>Manner of bidding in the Issue/ Bid Type</b>	Closed
<b>Manner of allotment in the Issue</b>	Uniform Yield Allotment
<b>Manner of settlement in the Issue</b>	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
<b>Settlement cycle &amp; Deemed Date of Allotment</b>	T+1 (T being the day of bidding as per working day convention of recognized stock exchanges) Settlement of the Issue will be on 14 February 2025.

#### 7.1 Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this General Information Document along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED
Name of Bank	ICICI Bank Ltd.



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IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name	AKARA CAPITAL ADVISORS P L OUTWARD A/C
Bank Account No.	433305000397
IFSC Code	ICIC0004333
Bank Name	ICICI Bank Limited
Branch Address	Block- B, Vatika First India Place, MG Road, Gurugram- 122001

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

**Basis of Allocation or Allotment:** Allocation shall be made as approved by the Company in accordance with applicable NCS Listing Regulations, Operations Guidelines, and applicable laws. Post completion of bidding process, the Company will upload the provisional allocation on the BSE EBP Platform. Post receipt of details of the successful Eligible Investors, the Company will upload the final allocation file on the BSE EBP Platform.

**Payment Mechanism:** Payment of subscription money for the Debentures should be made by the successful Eligible Investor as notified by the Company. Successful Eligible Investors should do the funds pay-in to the account.

Successful Eligible Investors should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned.

**Note:** In case of failure of any successful bidders to complete the subscription amount payments by

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the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Company shall not be liable to issue the Debentures to such successful bidders.

**Settlement Process:** Upon final allocation by the Issuer, the Company or the Registrar and Transfer Agent on behalf of the Company shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the successful Eligible Investor. The Company shall give the instruction to the Registrar and Transfer Agent for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to effect the transfer of Debentures in the demat account(s) of the successful Eligible Investors post-allocation disclosures by the EBP. Upon final allocation by the Issuer, the Company shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the EBP Guidelines.

The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public. Deemed Date of Allotment Interest on Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the investor(s) from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to modify allotment date or Deemed Date of Allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed, the Deemed Date of Allotment may also be changed by the Company at its sole and absolute discretion.

**Withdrawal of Issue:** The Company may, at its discretion, withdraw the issue process on the conditions set out under the EBP Guidelines. Provided that the Company shall accept or withdraw the issue on the BSE EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid. If the Company has withdrawn the Issue, and the cutoff yield of the Issue is higher than the estimated cutoff yield disclosed to the BSE EBP Platform, the estimated cut off yield shall be mandatorily disclosed by the BSE EBP Platform to the Eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Company, prior to opening of issue on the BSE EBP Platform. The disclosure of estimated cut off yield by BSE EBP Platform to the Eligible Investors, pursuant to closure of the issue, shall be at the discretion of the Company.

## **7.2 Application Procedure**

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the General Information Document during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, and the procedure will be subject to the EBP Guidelines.

## **4.10 Fictitious Applications**

All fictitious applications will be rejected.

## **4.11 Basis of Allotment**

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Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. In case of over subscription, allotment shall be made on a "price time priority basis" in accordance with the EBP Guidelines. The investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

#### **4.12 Eligible Investors**

The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"):

1. Any non-QIB including:
  - a) Individuals except Politically Exposed Person;
  - b) Hindu Undivided Family;
  - c) Trust;
  - d) Limited Liability Partnerships;
  - e) Partnership Firm(s);
  - f) Portfolio Managers registered with SEBI;
  - g) Association of Persons;
  - h) Companies and Bodies Corporate including Public Sector Undertakings;
  - i) Commercial Banks;
  - j) Regional Rural Banks;
  - k) Financial Institutions;
  - l) Insurance Companies;
  - m) Mutual Funds;
  - n) FPIs /FII, /sub-accounts of FIIs;
  - o) NBFCs;
  - p) Any other investor eligible to invest in these Debentures;
2. Qualified Institutional Buyers ("**QIBs**") as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

#### **4.13 Procedure for Applying for Dematerialised Facility**

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL and CDSL prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Non-Convertible Securities in Electronic/Dematerialised Form".
- (c) Non-Convertible Securities allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

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- (d) For subscribing to the Non-Convertible Securities, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Non-Convertible Securities in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For allotment of Non-Convertible Securities, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Non-Convertible Securities for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

#### **4.14 Depository Arrangements**

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

#### **4.15 List of Beneficiaries**

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

#### **4.16 Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto.

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Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

#### **4.17 Procedure for application by Mutual Funds and Multiple Applications**

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- (a) SEBI registration certificate
- (b) Resolution authorizing investment and containing operating instructions
- (c) Specimen signature of authorized signatories

#### **4.18 Documents to be provided by Investors**

Investors need to submit the following documents, as applicable:

- (a) Memorandum and Articles of Association or other constitutional documents
- (b) Resolution authorising investment
- (c) Certified true copy of the Power of Attorney to custodian
- (d) Specimen signatures of the authorised signatories
- (e) SEBI registration certificate (for Mutual Funds)
- (f) Copy of PAN card
- (g) Application Form (including EFT/RTGS details)

#### **4.19 Applications to be accompanied with Bank Account Details**

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

#### **4.20 Succession**

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtains legal representation, from a court in India having jurisdiction over the matter.

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The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

#### **4.21 Mode of Payment**

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.

#### **4.22 Effect of Holidays**

- (a) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.
- (b) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.
- (c) If the Final Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

#### **4.23 Tax Deduction at Source**

- (a) All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.
- (b) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.
- (c) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.
- (d) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

#### **4.24 Letters of Allotment**

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI Master Circular, the Issuer shall ensure that the Non-Convertible Securities are credited into the demat accounts of the Debenture Holders of the Non-Convertible Securities within

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2 (two) Business Days from the Deemed Date of Allotment.

#### **4.25 Deemed Date of Allotment**

Deemed Date of Allotment All the benefits under the Debentures, including but not limited to the payment of Coupon, will accrue to the Investor from the deemed date of allotment. The deemed date of allotment for the Issue is 14 February 2025.

All benefits related to the Debentures will be available to the Debenture Holders from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debenture holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

#### **4.26 Record Date**

Record Date shall be 15 (fifteen) calendar days prior to the relevant Payment Date

#### **4.27 Refunds**

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

#### **4.28 Interest on Application Monies**

Not applicable

#### **4.29 Pan Number**

Every applicant should mention its Permanent Account Number ("**PAN**") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

#### **4.30 Redemption**

The face value of the Debentures shall be redeemed at par, on the Redemption Date. The Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. The Debentures shall be taken as discharged on payment of the Redemption Amount by the Issuer on the Final Redemption Date to the registered Debenture Holders whose name appear in the Debenture Register on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture Holders.

#### **4.31 Payment on Redemption**

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Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL and CDSL and accordingly the account of the Debenture Holder(s) with NSDL and CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

#### **4.32 Payment of Coupon**

Coupon for each of the Coupon periods shall be computed on an actual/actual days a year basis on the principal outstanding on the Debentures at the Coupon Rate. If the Coupon period from start date to end date includes February 29, then interest shall be paid on the basis of  $(\text{end date} - \text{start date})/366$ .

#### **4.33 Eligibility to come out with the Issue**

The Issuer or the Person in control of the Issuer, or its promoter, has not been restrained or prohibited any Governmental Authority from accessing the securities market or dealing in securities and such direction or order is in force.

#### **4.34 Registration and Government approvals**

The Issuer can undertake the activities proposed by it in view of the present approvals and no further approval from any Governmental Authority(ies) is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

#### **4.35 Authority for the Issue**

This present private placement of Debentures is being made pursuant to the resolution passed by the board of directors of the Company at its meeting held on August 02, 2024 and shareholders of the Company at its meeting held on 10<sup>th</sup> May 2023. A copy of the board resolution and shareholders resolution is attached hereto as **Annexure X** and **Annexure XI** respectively.

#### **4.36 Date of Allotment**

All benefits relating to Debentures will be available to the Investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date of Debentures is changed (pre-poned/ postponed), the Deemed Date of Allotment of Debentures may also be changed (pre-poned/ postponed) by the Issuer at its sole and absolute discretion.

**Disclaimer:** Please note that only those persons to whom this General Information Document has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents /



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authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

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## SECTION 5: FORM NO. PAS-4

*(Pursuant to Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014)*

*Note: This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014.*

**ISSUE OF UP TO 3500 (THREE THOUSAND FIVE HUNDRED) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) ( "NCDS"/ "DEBENTURE(S)") COMPRISING OF (I) A BASE ISSUE OF A BASE ISSUE OF 2000 (TWO THOUSAND) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 20,00,00,000/- (INDIAN RUPEES TWENTY CRORES ONLY) AND (II) A GREEN SHOE OPTION OF UP TO 1500 (ONE THOUSAND FIVE HUNDRED) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 15,00,00,000/- (INDIAN RUPEES FIFTEEN CRORES ONLY) ("GREEN SHOE OPTION"), IN A DEMATERIALIZED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY AKARA CAPITAL ADVISORS PRIVATE LIMITED (THE "COMPANY") OR ("ISSUER").**

### 5.1 General Information:

- (a) **Name, address, website, if any, and other contact details of the Company, indicating both registered office and the corporate office:**

Issuer / Company:	Akara Capital Advisors Private Limited (the " <b>Issuer</b> " or " <b>Company</b> " or " <b>Akara Capital</b> ")
Registered Office:	60, Second Floor, Arjun Nagar, Kotla Mubarak Pur, New Delhi - 110003, India
Corporate Office:	Unit Nos. 1801, 1805, 1806A, 1806B, 1807A, 1807B and 1815, 18 <sup>th</sup> Floor, Magnum Global Park – 2, Golf Course Road Extension Road, Sector – 58, Gurugram – 122011, Haryana
Telephone No.:	9643309883
Website:	<a href="http://www.stashfin.com">www.stashfin.com</a>
Fax:	NA
Contact Person:	Shruti Aggarwal
Email:	<a href="mailto:accounts@stashfin.com">accounts@stashfin.com</a>

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(b) **Date of Incorporation of the Company:**

11/02/2016

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

Incorporated in 2016, Akara Capital Advisors Private Limited (ACAPL) is a Delhi based Non deposit taking NBFC (ND-NBFC) registered with RBI effective 2017. ACAPL is promoted by Morus Technologies Pte. Limited. ACAPL is engaged in lending customized personal loan products ranging from Rs.0.01 lacs to Rs.5 lacs, primarily to salaried customer segment. The company is originating and disbursing loans through 'Stashfin', a platform developed and operated along with a group company, EQX Analytics Private Limited (EAPL).

**Branch details:**

As of the date of this Key Information Document, the Company has one branch.

The Company has its Corporate Office/Branch Office at Unit Nos. 1801, 1805, 1806A, 1806B, 1807A, 1807B and 1815, 18<sup>th</sup> Floor, Magnum Global Park – 2, Golf Course Road Extension Road, Sector – 58, Gurugram – 122011, Haryana.

**Subsidiary details:**

As of the date of this Key Information Document, the Company does not have any subsidiaries.

(d) **Brief particulars of the management of the Company:**

S. No.	Name	Designation	Profile
1.	Tushar Aggarwal	Managing Director	Over 16 years of work experience in Investment Banking and Private Equity in India and United States. Previous work experience at Goldman Sachs, Lehman Brothers and General Atlantic and Everstone. CFA Charter holder. Graduate of Wharton Business School and Stony Brook University.
2.	Shruti Aggarwal	Director	Over 16 years of experience in financial services and entrepreneurship. Previous work experience in Investment Banking with Merrill Lynch in New York and PWC in India. Graduate of Columbia University and SRCC.

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3.	Radhakrishnan Ramchandra Iyer	Independent Director	Almost four decades of Banking Experience.
4.	Vijay Ronjan	Independent Director	36 years of banking experience in the Indian banking industry.
5.	Vijay Jasuja	Independent Director	41 years of BFSI experience in leadership positions across Indian and overseas market.

(e) **Name, addresses, Director Identification Number (DIN) and occupations of the directors:**

S. No.	Name	Designation	DIN	Address	Occupation
1	Tushar Aggarwal	Managing Director	01587360	6 A/2, Raj Narain Road, Civil Lines, Delhi-110054	Service
2	Shruti Aggarwal	Director	06867269	6 A/2, Raj Narain Road, Civil Lines, Delhi-110054	Service
3	Radhakrishnan Ramchandra Iyer	Independent Director	01309312	4B, Swami Vivekanand CHS, Azad Nagar Road 3, Andheri West, Mumbai - 400058	Service
4	Vijay Ronjan	Independent Director	09345384	R-145, Ground Floor Greater Kailash, Part 1 Delhi-110048	Service
5	Vijay Jasuja	Independent Director	07924822	A-204, Paras Emperor, Bawadia Kalan, Bhopal University, Bhopal, M.P.- 462026	Consultant, Credit Card

## 5.2 MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of the General Information Document.

## 5.3 RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of the General Information Document.

## 5.4 Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

- (a) Statutory Dues: Nil
- (b) Debentures and interest thereon: Nil
- (c) Deposits and interest thereon: Nil

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(d) Loan from any bank or financial institution and interest thereon: Nil

**5.5 Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the private placement offer process:**

Name of Nodal/Compliance officer	Designation	Corporate Address	Phone No.	Email ID
Mr. Simarjeet Singh	Compliance Officer	18 <sup>th</sup> Floor, Magnum Global Part, Sector 58, Gurgaon, Haryana	+91-9015676297	simarjeet.singh@stasfin.com

**5.6 Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:**

NIL

**5.7 Particulars of the Offer:**

<b>Financial position of the Company for the last 3 (three) financial years</b>	As set out in Section 4 of the General Information Document
<b>Date of passing of Board Resolution</b>	Board resolution dated 11 February 2025. A copy of which is attached in <b>Annexure V</b> hereto.
<b>Date of passing of resolution in the general meeting, authorizing the offer of securities</b>	Shareholders resolutions under Section 42 of the Companies Act, 2013 dated November 14, 2024. A copy of which is attached in <b>Annexure VI</b> hereto
<b>Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued</b>	<p><b>Total Issue:</b> Issue of up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) ("<b>Debentures</b>")</p> <p><b>Base Issue:</b> 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only)</p> <p><b>Green Shoe Option:</b> up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh</p>

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	Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only)
<b>Price at which the security is being offered, including premium if any, along with justification of the price</b>	The Debentures are being offered at par.
<b>Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer</b>	Not applicable.
<b>The class or classes of persons to whom the allotment is proposed to be made</b>	Please refer to ' <i>Eligible Investors</i> ' under Section 4.4 of this Key Information Document.
<b>Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]</b>	Not Applicable.
<b>The proposed time within which the allotment shall be completed</b>	<p>The Debentures will be deemed to be allotted on 14 February 2025 ("<b>Deemed Date of Allotment</b>"), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures ("<b>Debenture Holders</b>") within 1 (one) Business Days from the Deemed Date of Allotment, each in accordance with the debenture trust deed ("<b>Debenture Trust Deed</b>") to be entered into between the Company and the debenture trustee ("<b>Debenture Trustee</b>").</p> <p>In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 (sixty) days from the date of receipt of application money, as prescribed under the Companies Act, 2013.</p>
<b>The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]</b>	Not Applicable.
<b>The change in control, if any, in the company that would occur consequent to the private placement</b>	Not Applicable
<b>The number of persons to whom allotment on preferential basis / private placement / rights issue has</b>	As set out in Chapter D of the General Information Document

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<b>already been made during the year, in terms of securities as well as price</b>									
<b>The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer</b>	Not applicable								
<b>Amount, which the Company intends to raise by way of proposed offer of securities</b>	Please refer to the respective KID								
<b>Terms of raising of securities:</b>	<table> <tr> <td>Duration, if applicable:</td><td>42 (forty two) months from the Deemed Date of Allotment</td></tr> <tr> <td>Rate of Interest or Coupon:</td><td>12.00% (Twelve-point zero zero Percent) per annum payable monthly</td></tr> <tr> <td>Mode of Payment</td><td>Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer. Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 5.2 (Process flow of settlement) of this Key Information Document.</td></tr> <tr> <td>Mode of Repayment</td><td>cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer</td></tr> </table>	Duration, if applicable:	42 (forty two) months from the Deemed Date of Allotment	Rate of Interest or Coupon:	12.00% (Twelve-point zero zero Percent) per annum payable monthly	Mode of Payment	Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer. Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 5.2 (Process flow of settlement) of this Key Information Document.	Mode of Repayment	cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer
Duration, if applicable:	42 (forty two) months from the Deemed Date of Allotment								
Rate of Interest or Coupon:	12.00% (Twelve-point zero zero Percent) per annum payable monthly								
Mode of Payment	Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer. Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 5.2 (Process flow of settlement) of this Key Information Document.								
Mode of Repayment	cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer								
<b>Proposed time schedule for which the Issue/Offer Letter is valid</b>	<p>Issue Open Date: 13 February 2025</p> <p>Issue Close Date: 13 February 2025</p> <p>Pay-in Date: 14 February 2025</p> <p>Deemed Date of Allotment: 14 February 2025</p>								
<b>Purpose and objects of the Issue/Offer</b>	Please refer section named " <i>Utilization of the Issue Proceeds</i> " in Section 3.15 ( <i>Issue Details</i> ) of this Key Information Document								
<b>Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects</b>	NIL								
<b>Principal terms of assets charged as security, if applicable</b>	<p>The amounts outstanding under the Debentures shall be secured:</p> <ul style="list-style-type: none"> <li>on a first ranking exclusive and continuing charge basis by way of hypothecation in favour of the</li> </ul>								

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	<p>Debenture Trustee for the benefit of the Debenture Holders over Identified Receivables of the Issuer that fulfil the eligibility criteria set out here below under the heading 'Eligibility Criteria' ("Hypothecated Assets"), with the prescribed Security Cover on or prior to the Deemed Date of Allotment;</p> <ul style="list-style-type: none"><li>• Issuer shall ensure creation, registration and perfection of the security over the Hypothecated Assets by way of filing CHG-9 with the regulatory authorities within 30 (thirty) calendar days from the execution of Hypothecation Agreement;</li><li>• The Outstanding Principal Amount, shall be secured by (to the satisfaction of the Debenture Holders) by a first ranking and exclusive charge of 1.20x (one decimal two zero times) cover over the Hypothecated Assets which are free from any encumbrances/charge/lien;</li><li>• The Issuer shall on a monthly basis hypothecate additional loans and/or replace such loans constituting the Hypothecated Assets that do not comply with the prescribed Eligibility Criteria, with loans that meet the Eligibility Criteria set out below to the Debenture Trustee such that the principal amounts outstanding under the loans constituting the Hypothecated Assets shall not be less than 1.20x (one decimal two zero times) of the aggregate amount of principal outstanding under the Debentures. Any additional loans added pursuant to the above to secure the Debentures shall be considered as part of the Hypothecated Assets.</li><li>• The Issue shall replace any ineligible Receivables (beyond 90 dpd) with fresh receivables. Such change of receivables shall be affected within 15 (fifteen) business days after the month end of the Receivables becoming ineligible.</li><li>• In the event of the Security Cover with respect to Hypothecated Assets falling below the stipulated cover, the Issuer shall, not later than 15 (fifteen) Business Days after the occurrence of such event, create security over additional performing loans that fulfil the prescribed Eligibility Criteria.</li></ul> <p><u>Additional Security:</u></p>
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	<ul style="list-style-type: none"><li>The Issuer shall deliver to the Debenture Trustee 2 duly filled undated cheques in favour of Debenture Trustee for the entire Issue size.</li></ul>				
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations		NIL			
The pre-issue and post-issue shareholding pattern of the Company in the following format:					
S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of shares held	Percentage (%) of shareholding
A	Promoters' holding				
	Indian				
1	Individual	100	0.00003%	100	0.00003%
	Bodies Corporate	NIL	NIL	NIL	NIL
	Sub-total				
2	Foreign promoters	31,59,93,898	99.99%	31,59,93,898	99.99%
	Sub-total (A)	31,59,93,998	100%	31,59,93,998	100%
B	Non-promoters' holding				
1	Institutional Investors	NIL	NIL	NIL	NIL
2	Non-Institutional Investors	NIL	NIL	NIL	NIL
	Private Corporate Bodies	NIL	NIL	NIL	NIL
	Directors and relatives	NIL	NIL	NIL	NIL
	Indian public	NIL	NIL	NIL	NIL
	Others (including Non-resident Indians)	NIL	NIL	NIL	NIL
	Sub-total (B)	NIL	NIL	NIL	NIL
	GRAND TOTAL	31,59,93,998	100	31,59,93,998	100

#### 5.8 Mode of payment for subscription:

- Cheque
- Demand Draft
- Other Banking Channels

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## 5.9 Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil																									
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Nil																									
Remuneration of directors (during the current year and last 3 (three) financial years)	<table><tr><th>Director</th><th>Fiscal FY 23-24</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th><th>Fiscal FY 20-21</th></tr><tr><td>Shruti Aggarwal</td><td>0.37cr</td><td>0.33 Cr</td><td>0.47 Crore</td><td>1.32 Crore</td></tr><tr><td>Radhakrishnan Ramchandra Iyer</td><td>0.13cr</td><td>0.15 Cr</td><td>0.075 Crore</td><td>0.01 Crore</td></tr><tr><td>Vijuy Ronjan</td><td>0.13cr</td><td>0.1425 Cr</td><td>NIL</td><td>NIL</td></tr><tr><td>Vijay Jasuja</td><td>0.13cr</td><td>0.09 Cr</td><td>NIL</td><td>NIL</td></tr></table>	Director	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21	Shruti Aggarwal	0.37cr	0.33 Cr	0.47 Crore	1.32 Crore	Radhakrishnan Ramchandra Iyer	0.13cr	0.15 Cr	0.075 Crore	0.01 Crore	Vijuy Ronjan	0.13cr	0.1425 Cr	NIL	NIL	Vijay Jasuja	0.13cr	0.09 Cr	NIL	NIL
Director	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21																						
Shruti Aggarwal	0.37cr	0.33 Cr	0.47 Crore	1.32 Crore																						
Radhakrishnan Ramchandra Iyer	0.13cr	0.15 Cr	0.075 Crore	0.01 Crore																						
Vijuy Ronjan	0.13cr	0.1425 Cr	NIL	NIL																						
Vijay Jasuja	0.13cr	0.09 Cr	NIL	NIL																						
Related party transactions entered during the preceding 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter and current financial year with regard to loans made or, guarantees given or securities provided	As set out in Chapter C of the General Information Document																									
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this	Nil																									

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private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	
Details of any inquiry, inspections or investigations initiated or conducted under the securities law or Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Nil

#### 5.10 Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital	Aggregate Nominal Value
	Authorised	
	Authorised Capital	Rs. 400 Cr
	<b>Equity Share Capital</b>	
	40 Crore Equity Shares of Rs. 10/-each	Rs. 400 Cr
	<b>Preference Share Capital</b>	
	NIL	NIL
	<b>TOTAL</b>	<b>Rs. 400 Cr</b>
	<b>Issued, Subscribed and Paid-up Equity Capital</b>	
	31,59,93,998 Equity Shares of Rs. 10/-each	Rs. 315.99 Cr

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	Issued, Subscribed and Paid-up Preference Share Capital							
	NIL		NIL					
	TOTAL		Rs. 315.99 Cr.					
Size of the Present Offer	As specified in the relevant Key Information Document.							
Paid-up Capital:								
a. After the offer:	a. Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.							
b. After the conversion of convertible instruments (if applicable)	b. Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.							
Share Premium Account:								
a. Before the offer:	a. Rs. 150.95cr cr as at 31 Dec 2024							
b. After the offer:	b. Rs 150.95cr cr as at 31 Dec 2024							
Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:								
S. No.	Names of Allottees	Date of Allotment	No. of Shares allotted	Form of Consideration	Price per share in Rs.	Face Value	Premium	Total Consideration
1	Morus Technologies Pte Ltd.	08 <sup>th</sup> September, 2020	1,55,67,323	Cash	13	10	3	20,23,75,199
2	Morus Technologies Pte Ltd.	03 <sup>rd</sup> February, 2021	1,11,94,118	Cash	13	10	3	14,55,23,534
3	Morus Technologies Pte Ltd.	21 <sup>st</sup> August, 2021	71,47,944	Cash	13	10	3	9,29,23,272
4	Morus Technologies Pte Ltd.	24 <sup>th</sup> September, 2021	2,26,13,009	Cash	13	10	3	29,39,69,117

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5	Morus Technologies Pte Ltd.	29 <sup>th</sup> September, 2021	56,96,039	Cash	13	10	3	7,40,48,507
6	Morus Technologies Pte Ltd.	22 <sup>nd</sup> October, 2021	1,16,19,883	Cash	13	10	3	15,10,58,479
7	Morus Technologies Pte Ltd.	02 <sup>nd</sup> November, 2021	1,72,56,962	Cash	13	10	3	22,43,40,506
8	Morus Technologies Pte Ltd.	25 <sup>th</sup> November, 2021	1,14,37,463	Cash	13	10	3	14,86,87,019
9	Morus Technologies Pte Ltd.	07 <sup>th</sup> December, 2021	4323923	Cash	13	10	3	5,62,10,999
10	Morus Technologies Pte Ltd.	23 <sup>rd</sup> December, 2021	2908729	Cash	13	10	3	3,78,13,477
11	Morus Technologies Pte Ltd.	25 <sup>th</sup> January, 2022	14149931	Cash	13	10	3	18,39,49,103
12	Morus Technologies Pte Ltd.	11 <sup>th</sup> February, 2022	20104270	Cash	13	10	3	26,13,55,510
13	Morus Technologies Pte Ltd.	24 <sup>th</sup> February, 2022	17325922	Cash	13	10	3	22,52,36,986
14	Morus Technologies Pte Ltd.	22 <sup>nd</sup> March, 2022	17537341	Cash	13	10	3	22,79,85,433

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15	Morus Technologies Pte Ltd	11 <sup>th</sup> May, 2022	58,66,805	Cash	13	10	3	7,62,68,465
16	Morus Technologies Pte Ltd	27 <sup>th</sup> May, 2022	59,66,034	Cash	13	10	3	7,75,58,442
17	Morus Technologies Pte Ltd	20 <sup>th</sup> June, 2022	592	Cash	13	10	3	7,696
18	Morus Technologies Pte Ltd	03 <sup>rd</sup> August, 2022	1,48,11,463	Cash	16	10	6	23,69,83,408
19	Morus Technologies Pte Ltd	06 <sup>th</sup> March, 2023	3,27,23,918	Cash	20	10	10	65,44,78,360
20	Morus Technologies Pte Ltd	11 <sup>th</sup> July, 2023	2,05,89,917	Cash	20	10	10	41,17,98,340
21	Morus Technologies Pte Ltd	29 <sup>th</sup> February 2024	41,44,750	Cash	20	10	10	8,28,95,000
22	Morus Technologies Pte Ltd	15 <sup>th</sup> March 2024	2,07,00,000	Cash	20	10	10	41,40,00,000
The number and price at which each of allotments were made by the Company in the last 1 (one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other			Nil					

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than cash and details of the consideration in each case																
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter.	<table><tr><th>Year</th><th>Fiscal FY 23-24</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th></tr><tr><td>Profit before tax</td><td>72.01 crores</td><td>39.82 Crores</td><td>7.66 Crores</td></tr><tr><td>Profit after tax</td><td>68.82 crore</td><td>25.87 Crores</td><td>6.48 Crores</td></tr></table>				Year	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22	Profit before tax	72.01 crores	39.82 Crores	7.66 Crores	Profit after tax	68.82 crore	25.87 Crores	6.48 Crores
Year	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22													
Profit before tax	72.01 crores	39.82 Crores	7.66 Crores													
Profit after tax	68.82 crore	25.87 Crores	6.48 Crores													
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	<table><tr><th>Year</th><th>Fiscal FY 23-24</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th></tr><tr><td>Dividend Declared</td><td>NIL</td><td>NIL</td><td>NIL</td></tr><tr><td>Interest Coverage Ratio</td><td></td><td>1.59</td><td>1.45</td></tr></table>				Year	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22	Dividend Declared	NIL	NIL	NIL	Interest Coverage Ratio		1.59	1.45
Year	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22													
Dividend Declared	NIL	NIL	NIL													
Interest Coverage Ratio		1.59	1.45													
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter	As set out in Chapter A of the General Information Document															
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter	As set out in Chapter B of the General Information Document															
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Nil															

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**PART B**

**FORM NO PAS-4  
PRIVATE PLACEMENT OFFER LETTER  
(To be filled by the applicant)**

Sr. No.	Particulars	First Holder	Second Holder
1	Name		
2	Father's Name		
3	Complete Address (including Flat/ House Number, Street, Locality, Pin Code)		
4	Phone Number, if any		
5	Email ID, if any		
6	PAN Number		
7	Bank Account Details		
8	Number of Non- Convertible Debentures subscribed		
9	Total value of Non- Convertible Debentures subscribed		
10	<p>Tick whichever is applicable: -</p> <p>(a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.</p> <p>(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith</p>		

**Signature of the Subscriber**



(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**DECLARATION (To be provided by the Directors)**

- A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made hereunder;
- B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- C. The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

I am authorized by the Board of Directors of the Issuer vide resolution number 5 dated 11 February 2025, to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Key Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Key Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

SHRUTI  
AGGARWAL

Digitally signed by  
SHRUTI AGGARWAL  
Date: 2025.02.17  
16:18:50 +05'30'

Authorised Signatory

Name: Shruti Aggarwal

Title: Director

Date: 11 February 2025

SIMARJE  
ET SINGH

Digitally signed by  
SIMARJEET SINGH  
Date: 2025.02.17  
16:22:40 +05'30'

Authorised Signatory

Name: Simarjeet Singh

Title: Company Secretary and Compliance Officer

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

## SECTION 6: DECLARATION BY THE DIRECTORS

The Company and the persons authorised by the Company, confirm and attest that:

- A. the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;
- B. the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, if applicable, is guaranteed by the Central Government;
- C. the monies received under the Issue shall be used only for the purposes and objects indicated in this General Information Document; and
- D. whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.
- E. It is hereby declared that this General Information Document contains full disclosures in accordance with the NCS Regulations, as amended from time to time, the LODR Regulations, as amended from time to time and the Companies Act and the rules made thereunder.
- F. The Issuer undertakes and confirms that this General Information Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The General Information Document also does not contain any false or misleading statement.
- G. The Issuer confirms that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s), Passport Number and personal addresses of the promoters of the Issuer and Permanent Account Number of the directors of the Issuer have been submitted to the stock exchange(s) on which the non-convertible securities are proposed to be listed, at the time of filing of the General Information Document.
- H. the contents of the document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors; and
- I. The Issuer accepts no responsibility for the statements made otherwise than in this General Information Document or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

General Risk
<i>Investment in non-convertible securities is risky and investors should not invest any funds</i>

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

*in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.*

### Confidentiality

The information and data contained herein is submitted to each recipient of this General Information Document on a strictly private and confidential basis. By accepting a copy of this General Information Document, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information.

I am authorized by the Board of Directors of the Company vide resolution number 5 dated 11 February 2025 to sign this General Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this General Information Document and matters incidental thereto have been complied with.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

**SHRUTI**  
**AGGARWAL** Digitally signed by  
SHRUTI AGGARWAL  
Date: 2025.02.17  
16:21:43 +05'30'

Authorised Signatory  
Name: Shruti Aggarwal  
Title: Director  
Date: 11 February 2025

For **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

**SIMARJE**  
**ET SINGH** Digitally signed by  
SIMARJEET SINGH  
Date: 2025.02.17  
16:23:12 +05'30'

Authorised Signatory

Mr. Simarjeet Singh  
Title: Company Secretary and Compliance Officer  
Date: 11 February 2025

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE  
FROM THE RATING AGENT**

*(the remainder of this page is intentionally left blank)*

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE II: CONSENT LETTER AND ENGAGEMENT LETTER FROM THE DEBENTURE  
TRUSTEE**

*(the remainder of this page is intentionally left blank)*

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

### ANNEXURE III: APPLICATION FORM

#### AKARA CAPITAL ADVISORS PRIVATE LIMITED

A private limited company incorporated under the Companies Act, 2013

**Date of Incorporation:** 11<sup>th</sup> February, 2016

**Registered Office:** 60, Second Floor, Arjun Nagar, Kotla Mubarak Pur, New Delhi - 110003

**Telephone No.:** 9643309883

**Website:** [www.akaracap.com](http://www.akaracap.com)

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									
--	--	--	--	--	--	--	--	--	--

ISSUE OF UP TO 3500 (THREE THOUSAND FIVE HUNDRED) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) ( "NCDS"/ "DEBENTURE(S)") COMPRISING OF (I) A BASE ISSUE OF A BASE ISSUE OF 2000 (TWO THOUSAND) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 20,00,00,000/- (INDIAN RUPEES TWENTY CRORES ONLY) AND (II) A GREEN SHOE OPTION OF UP TO 1500 (ONE THOUSAND FIVE HUNDRED) SENIOR, SECURED, RATED, LISTED, TRANSFERABLE, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 15,00,00,000/- (INDIAN RUPEES FIFTEEN CRORES ONLY) ("GREEN SHOE OPTION"), IN A DEMATERIALIZED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFERRED TO AS "DEBENTURES") BY AKARA CAPITAL ADVISORS PRIVATE LIMITED (THE "COMPANY") OR ("ISSUER").

Dear Sir / Madam,

I AM/ WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY \_\_\_\_\_

We have read and understood the terms and conditions of the Key Information Document dated \_\_\_\_\_ ("Key Information Document") read along with the General Information Document dated \_\_\_\_\_ ("General Information Document") for the issue of Debentures on a private placement basis including the Risk Factors described in the General Information Document issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders, on allotment of the Debentures to us.

I/ We bind myself/ourselves to the terms and conditions as contained in the Key Information Document and General Information Document. I/we note that the Company is entitled in its absolute discretion, to accept or reject this application in whole, or in part, without assigning any reason whatsoever.

**(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)**

*All capitalised terms used in this Application Form which are not defined shall have the meaning attributed to them in the Key Information Document and General Information Document.*

**DEBENTURE SERIES APPLIED FOR:**

Number of Debentures: \_\_\_\_\_ In words: \_\_\_\_\_-only  
Amount INR \_\_\_\_\_/-In words Indian Rupees : \_\_\_\_\_ Only

Cheque / Demand Draft / RTGS  
No. \_\_\_\_\_ Drawn on \_\_\_\_\_  
Funds transferred to **Akara Capital Advisors Private Limited**  
Dated \_\_\_\_\_  
Total Amount Enclosed  
(In Figures) INR /- (In words) Only

[illegible]

ADDRESS																			
STREET																			
CITY																			
PIN						PHONE							FAX						

Name of the Authorised Signatory(ies)	Designation	Signature

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL/CDSL
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

<b>NAME OF THE APPLICANT(S)</b>	
---------------------------------	--

<b>Applicant Bank Account:</b>  (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

<b>FOR OFFICE USE ONLY</b>	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

*(Note: Cheque and Drafts are subject to realisation)*

We understand and confirm that the information provided in the General Information Document is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's  
Signature

<b>FOR OFFICE USE ONLY</b>	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

*(Note : Cheque and Drafts are subject to realisation)*

------(TEAR HERE)-----

#### ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) <b>SERIAL NO.</b>									
--	--	--	--	--	--	--	--	--	--

Received from \_\_\_\_\_

Address _____
---------------



(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Cheque/Draft/UTR # _____	Drawn on _____	for
INR _____	on account of application of _____	Debenture

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

### **INSTRUCTIONS**

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.
3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account of ICCL by way of an electronic transfer, in accordance with the terms of the EBP Guidelines:

Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED	INDIAN CLEARING CORPORATION LIMITED	INDIAN CLEARING CORPORATION LIMITED
Account Number	ICCLEB	ICCLEB	ICCLEB
IFSC Code	HDFC0000060	ICIC0000106	YESB0CMSNOC
Mode	RTGS/NEFT	RTGS/NEFT	RTGS/NEFT

The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than:

- a) for adjustment against allotment of securities; or
  - b) for the repayment of monies where the company is unable to allot securities.
4. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
  5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.
  6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

#### ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

The cash flows emanating from the non-convertible securities according to the day count convention (Actual/ Actual) shall be mentioned in the Key Information Document, by way of an illustration.

For the purpose of standardization, if the coupon/ dividend payment date of the non- convertible securities falls on a Sunday or a holiday, the coupon payment shall be made on the next working day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the maturity date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In order to ensure consistency, a uniform methodology shall be followed for calculation of interest/ dividend payments in the case of leap year. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/ Actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.

A sample illustration is given below:

<b>Name of the issuer</b>	Akara Capital Advisors Private Limited
<b>Face Value (per security)</b>	INR 1,00,000/- each
<b>Issue date / Date of allotment</b>	Deemed Date of Allotment: 14 February 2025
<b>Date of redemption</b>	14 August 2028
<b>Tenor</b>	42 (forty-two) months from the Deemed Date of Allotment
<b>Coupon Rate</b>	12.00% (Twelve-point zero zero Percent) per annum payable monthly from the Deemed Date of Allotment
<b>Frequency of the interest/ dividend payment (with specified dates)</b>	Monthly
<b>Day Count Convention</b>	Actual/Actual

Sr No	Date	No of days	Principal per Debenture	Interest per Debenture	Total Payments per Debenture
	14-02-2025		1,00,000		-1,00,000.00
1	14-03-2025	28.00		920.55	920.55
2	14-04-2025	31.00		1,019.18	1,019.18
3	14-05-2025	30.00		986.30	986.30
4	14-06-2025	31.00		1,019.18	1,019.18
5	14-07-2025	30.00		986.30	986.30
6	14-08-2025	31.00		1,019.18	1,019.18
7	14-09-2025	31.00		1,019.18	1,019.18
8	14-10-2025	30.00		986.30	986.30
9	14-11-2025	31.00		1,019.18	1,019.18
10	14-12-2025	30.00		986.30	986.30
11	14-01-2026	31.00		1,019.18	1,019.18

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

12	14-02-2026	31.00		1,019.18	1,019.18
13	14-03-2026	28.00		920.55	920.55
14	14-04-2026	31.00		1,019.18	1,019.18
15	14-05-2026	30.00		986.30	986.30
16	14-06-2026	31.00		1,019.18	1,019.18
17	14-07-2026	30.00		986.30	986.30
18	14-08-2026	31.00		1,019.18	1,019.18
19	14-09-2026	31.00		1,019.18	1,019.18
20	14-10-2026	30.00		986.30	986.30
21	14-11-2026	31.00		1,019.18	1,019.18
22	14-12-2026	30.00		986.30	986.30
23	14-01-2027	31.00		1,019.18	1,019.18
24	14-02-2027	31.00		1,019.18	1,019.18
25	14-03-2027	28.00		920.55	920.55
26	14-04-2027	31.00		1,019.18	1,019.18
27	14-05-2027	30.00		986.30	986.30
28	14-06-2027	31.00		1,019.18	1,019.18
29	14-07-2027	30.00		986.30	986.30
30	14-08-2027	31.00		1,019.18	1,019.18
31	14-09-2027	31.00		1,019.18	1,019.18
32	14-10-2027	30.00		986.30	986.30
33	14-11-2027	31.00		1,019.18	1,019.18
34	14-12-2027	30.00		986.30	986.30
35	14-01-2028	31.00		1,016.39	1,016.39
36	14-02-2028	31.00	50,000.00	1,016.39	51,016.39
37	14-03-2028	29.00		475.41	475.41
38	14-04-2028	31.00		508.20	508.20
39	14-05-2028	30.00		491.80	491.80
40	14-06-2028	31.00		508.20	508.20
41	14-07-2028	30.00		491.80	491.80
42	14-08-2028	31.00	50,000.00	508.20	50,508.20

***If Put Option is Exercised***

Sr No	Date	No of days	Principal	Interest	Total Payments
	14-02-2025		1,00,000		-1,00,000.00
1	14-03-2025	28.00		920.55	920.55
2	14-04-2025	31.00		1,019.18	1,019.18
3	14-05-2025	30.00		986.30	986.30
4	14-06-2025	31.00		1,019.18	1,019.18
5	14-07-2025	30.00		986.30	986.30
6	14-08-2025	31.00		1,019.18	1,019.18
7	14-09-2025	31.00		1,019.18	1,019.18
8	14-10-2025	30.00		986.30	986.30
9	14-11-2025	31.00		1,019.18	1,019.18
10	14-12-2025	30.00		986.30	986.30

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

11	14-01-2026	31.00		1,019.18	1,019.18
12	14-02-2026	31.00		1,019.18	1,019.18
13	14-03-2026	28.00		920.55	920.55
14	14-04-2026	31.00		1,019.18	1,019.18
15	14-05-2026	30.00		986.30	986.30
16	14-06-2026	31.00		1,019.18	1,019.18
17	14-07-2026	30.00		986.30	986.30
18	14-08-2026	31.00		1,019.18	1,019.18
19	14-09-2026	31.00		1,019.18	1,019.18
20	14-10-2026	30.00		986.30	986.30
21	14-11-2026	31.00		1,019.18	1,019.18
22	14-12-2026	30.00		986.30	986.30
23	14-01-2027	31.00		1,019.18	1,019.18
24	14-02-2027	31.00	1,00,000	1,019.18	1,01,019.18

**Note**

The Issuer requested to note that the above cash flow is only illustrative in nature. The deemed date of allotment, Coupon rate, redemption date and frequency of the interest payment shall vary in nature and aforesaid dates may be modified upon receipt of consent/ permission from existing lender, in case of early redemption of any principle repayment as per the provisions of early redemption option in Debenture Trust Deed, the above cash flow may be changed accordingly.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE V: BOARD RESOLUTION**

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(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE VI: SHAREHOLDERS RESOLUTION**

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(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)



(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE VII: DUE DILIGENCE CERTIFICATES**

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(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE VIII: CONSENT LETTER FROM THE REGISTRAR AND TRANSFER AGENT**

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(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE IX: FINANCIAL STATEMENTS**

*(Attached Separately)*

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE X: LENDING POLICY**

*(the remainder of this page is intentionally left blank)*

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

**ANNEXURE XI: ALM STATEMENTS AS ON DEC 31, 2024**

Category	Up to 30 / 31 days	>1 months – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	> 5 years	Total
Deposit	-	-	-	-	-	-	-	-	-
Advances	303.61	107.95	105.31	273.42	432.34	397.46	0.52	-	1,620.62
Investments	-	-	-	-	-	-	-	-	-
Borrowings	26.44	30.10	23.66	61.19	137.62	152.32	10.00	-	441.32
FCA*	-	-	-	-	-	-	-	-	-
FCL*	-	-	-	-	241.93	306.20	-	-	548.13

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

## **ANNEXURE XII: DEBENTURE TRUSTEE AGREEMENT**

[•]

# AKARA CAPITAL ADVISORS PRIVATE LIMITED

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## UNDERTAKING

The Chief General Manager  
Listing Operations,  
BSE Limited,  
20<sup>th</sup> Floor, P. J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.

Dear Sir,

We Akara Capital Advisors Private Limited hereby undertake that the contents of the disclosure documents (GID & KID) have been perused by the Board of Directors for issuance of up to 3500 (Three Thousand Five Hundred) Fully Paid, Senior, Secured, Rated, Listed, Taxable, Transferable, Redeemable, Non-Convertible Debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crore Only) (“Debentures”), in line with the SEBI (NCS) (SECOND AMENDMENT) REGULATIONS, 2024, effective September 17, 2024.

**For M/S Akara Capital Advisors Private Limited**

**SHRUTI  
AGGARWAL**

Digitally signed by  
SHRUTI AGGARWAL  
Date: 2025.02.11  
11:55:42 +05'30'

**Shruti Aggarwal  
Director**

**SIMARJE  
ET SINGH**

Digitally signed by  
SIMARJEET SINGH  
Date: 2025.02.11  
12:41:06 +05'30'

**Simarjeet Singh  
CS & Compliance Officer**

**Place: New Delhi**

**Date: 11-02-2025**

ICRA/Akara Capital Advisors Private Limited/15012025/1

Date: January 15, 2025

Ms. Shruti Aggarwal

Director

Akara Capital Advisors Private Limited

Unit Nos.1801-1805, 18th Floor, Magnum Global Park 2

Golf Course Extension Road, Sector 58,

Gurgaon –122011

Dear Ma'am,

Re: ICRA's Credit Rating for below mentioned Instruments of Akara Capital Advisors Private Limited

Please refer to your email requesting ICRA Limited to revalidate the rating for the captioned programme.

We confirm that the following rating of the instrument rated by ICRA and communicated to you vide our letter dated **August 09, 2024** stands valid.

Instrument	Rated Amount (Rs. crore)	Rating <sup>1</sup>
Non-convertible debentures	367.50	[ICRA]BBB (Stable)

*\*yet to be placed Rs. 226.50 crore as on December 31, 2024*The other terms and conditions for the rating of the captioned instrument shall remain the same as were communicated vide our letter dated **August 09, 2024** (Ref No: ICRA/Akara Capital Advisors Private Limited/09082024/1).

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold long term debt/non-convertible debenture to be issued by you.

In line with SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, issuers are encouraged to utilize the penny-drop verification service as provided by banks. This measure is intended to prevent payment failures when disbursing principal and/or interest to respective investors or debenture holders.

Penny-drop verification serves as an efficient method for confirming the bank account details of persons designated to receive payments. Once an account has been verified through this facility, it can be used for subsequent transactions related to interest and principal payments, thereby ensuring successful remittance and avoiding failure.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

ANIL

GUPTA

Digitally signed  
by ANIL GUPTA  
Date: 2025.01.15  
17:34:54 +05'30'

Anil Gupta

Senior Vice President

[anilg.icraindia.com](mailto:anilg.icraindia.com)<sup>1</sup> Complete definitions of the ratings assigned are available at [www.icra.in](http://www.icra.in).



August 09, 2024

## Akara Capital Advisors Private Limited: Ratings reaffirmed

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures	376.5	376.5	[ICRA]BBB (Stable); reaffirmed
Non-convertible debentures	0.0	600.0	[ICRA]BBB (Stable); assigned
Non-convertible debentures	89.5	0.0	[ICRA]BBB (Stable); reaffirmed and withdrawn
Long-term fund based – Term loan	125.0	0.0	-
Long-term fund based - others	0.0	200.0	[ICRA]BBB (Stable); reaffirmed/assigned for the enhanced amount
Long-term fund-based term loan	15.0	15.0	[ICRA]BBB+(CE) (Stable); reaffirmed
Commercial paper	80.0	80.0	[ICRA]A3+; reaffirmed
<b>Total</b>	<b>686.0</b>	<b>1,271.5</b>	

\*Instrument details are provided in Annexure I

Rating without explicit credit enhancement	[ICRA]BBB
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Note: The (CE) suffix mentioned alongside the (provisional) rating symbol indicates that the rated instrument/facility is to be backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The above table also captures ICRA's opinion on (a) the rating if the pending actions/documents are not completed, and (b) the rating without factoring in the proposed explicit credit enhancement

### Rationale

#### For the [ICRA]BBB (Stable)/ [ICRA]A3+ rating

To arrive at Akara Capital Advisors Private Limited's (ACAPL) ratings, ICRA has taken a consolidated view of the credit profiles of ACAPL and its Group company, EQX Analytics Private Limited (EQXAPL), owing to their business linkages, common management and shared infrastructure. ACAPL provides unsecured personal loans of up to Rs. 5 lakh (average ticket size of ~Rs. 53,000) to salaried individuals through the Group's technology platform and has a pan-India presence. The Group's in-house technology platform, known as StashFin, is a part of EQXAPL and is currently used by ACAPL and its co-lending partners. ACAPL and EQXAPL are both wholly-owned subsidiaries of Morus Technologies Pte. Ltd (MTPL), the Singapore-based holding company, which is backed by foreign investors like Blowfish Ventures, Divine Blessing Investments, Altara Ventures, Positive Moves Consulting, Fasanara Capital, Tencent Group, Uncorrelated Ventures etc.

The ratings factor in ACAPL's adequate capitalisation profile for the current scale of operations with a consolidated net worth of Rs. 688 crore (standalone net worth of Rs. 648 crore) and consolidated managed gearing of 1.6x<sup>1</sup> as on June 30, 2024 (Rs. 637 crore and 2.0x, respectively, as on March 31, 2024, on consolidated basis). The consolidated reported gearing, adjusted for the first loss default guarantee (FLDG) commitments from the net worth, stood at 1.3x as on June 30, 2024. The Group's capitalisation has been supported by regular capital raising with the most recent (about Rs. 91 crore) in FY2024. The ratings also consider ACAPL's granular retail portfolio, comprising small-ticket loans to individuals. The scale of operations, however, remains small with assets under management (AUM) of Rs. 1,767 crore as on June 30, 2024 (Rs. 1,839 crore as on March 31, 2024).

The ratings are constrained by the Group's modest profitability indicators<sup>2</sup> due to the high operating and credit costs. The operating expenses, on a consolidated basis, declined to 9.6% in Q1 FY2025 (12.2% in FY2024) because of share-based

<sup>1</sup> Managed gearing = (On-balance sheet borrowing + Off-book portfolio)/ Net worth. Reported gearing, on a consolidated basis, was 1.2x as on June 30, 2024

<sup>2</sup> Profitability ratios mentioned in relation to average managed assets

payments (which are non-cash in nature) and the Group being in the expansion phase, nevertheless remain high. Credit costs also remained high despite moderating to 11.6% in Q1 FY2025 from 20.3% in FY2024. At the same time, the net interest margin (NIM) stayed high at 23.3% in Q1 FY2025 (24.7% in FY2024) because of lower gearing, supporting the overall profitability. The Group reported a net profit on a consolidated basis, for the first time since inception, in FY2024. While its return on managed assets (RoMA) and return on net worth (RoNW) improved to 7.1% and 21.6%, respectively, in Q1 FY2025 (1.4% and 5.1%, respectively, in FY2024), the sustainability of the return indicators is yet to be established.

The ratings also factor in the inherent vulnerability associated with the Group's portfolio, given the unsecured nature of the loans. Nevertheless, the asset quality indicators have remained range-bound so far with 90+ days past due (dpd) of 2.7% as on June 30, 2024 (2.5% as on March 31, 2024). Credit costs, in relation to disbursements, stood at 7.2% in Q1 FY2025 (8.0% in FY2024), reflecting the riskiness in the portfolio and indicating that the risk-adjusted returns in the segment can be adequate once the operating efficiency improves. Further, the regulatory landscape for fintech lenders is currently evolving; thus, the impact of regulations on the company's business operations would be monitorable. Overall, ACAPL's ability to scale up the business profitably while maintaining prudent capitalisation and controlling the asset quality would be a key monitorable.

ICRA has reaffirmed and withdrawn the rating assigned to the Rs. 89.50-crore non-convertible debentures (NCDs) as no amount is outstanding against the same, in accordance with ICRA's policy on the withdrawal of credit ratings.

#### For the [ICRA]BBB+(CE) (Stable) rating

ICRA has reaffirmed the rating for ACAPL's Rs. 15-crore bank line programme as tabulated above. The rating is based on the strength of an unconditional and irrevocable guarantee provided by Northern Arc Capital Limited (NACL; rated [ICRA]AA- (Stable)/[ICRA]A1+).

#### Adequacy of credit enhancement

ICRA has assessed the attributes of the partial guarantee issued by NACL in favour of the said instrument. While the guarantee is legally enforceable, irrevocable, unconditional, covers the entire tenor of the rated facility, and has a well-defined invocation and payment mechanism, it does not cover the entire rated amount. The guarantee is 29.00% of the initial loan amount, guaranteeing the repayment of the principal and the payment of the interest amount in relation to the facility for six months. NACL has waived off all the suretyship rights available under the law. However, the credit enhancement provided in the guarantee shall cease to be available to the lender if any modification is done to the terms of the facility, without NACL's prior approval, and if the same adversely impacts NACL's obligations.

Taking cognisance of the above credit enhancement, ICRA had assigned a rating of [ICRA]BBB+(CE) (Stable) to the said facility against the unsupported rating of [ICRA]BBB (and in relation to the guarantor's rating of [ICRA]AA- (Stable)/[ICRA]A1+). Any change in the ratings of the guarantor or in the unsupported rating of ACAPL would have a bearing on the rating of the aforesaid facility as well.

#### Salient covenants of the rated facility

- The tenure of the facility is 24 months with equated monthly interest and principal repayment.
- The guaranteed amount shall remain stable in absolute terms till it is reset. It can be reduced subject to the confirmation/affirmation of the rating agency.
- In addition to the partial guarantee, the borrower will maintain a pool of loan receivables, which would be at least 1.10x the outstanding amount of the facility. If ACAPL's senior secured long-term rating is downgraded below BBB or the rating of the facility is downgraded below BBB (CE) or any financial covenant is breached and the same is not cured within 90 days of the financial quarter in which the breach happened, then ACAPL shall make weekly repayments and shall transfer the collections from the pool to the Collection and Payment Account on a weekly basis.
- The security cover shall be met only with pool receivables that do not have any principal, interest, additional interest, fee or any other expected payments overdue. For this purpose, ACAPL shall, with the consent of the lender, replace any pool receivables that have one or more instalments of principal, interest, additional interest, fee or any other

expected payments overdue for more than 90 (ninety) days with performing loans that meet the eligibility criteria. Such replacement shall be done on or before the 15th of any calendar month.

- ACAPL shall report/file such list of pool contracts with the concerned Registrar of Companies (ROC) and the Central Registry of Securitisation Asset Reconstruction and Security Interest of India in relation thereto as soon as practicable and no later than 30 (thirty) days.

## Key rating drivers and their description

### Credit strengths

**Adequate capitalisation profile for current scale of operations; committed capital support from parent** – The ACAPL Group's capitalisation profile is adequate for the current scale of operations with a consolidated net worth of Rs. 688 crore and a managed gearing of 1.6x (standalone net worth of Rs. 648 crore, managed gearing of 1.7x and a capital-to-risk weighted assets ratio (CRAR) of 34.9%) as on June 30, 2024, supported by regular capital raises from the parent. Most recently, the company raised about Rs. 91 crore in FY2024 from its parent.

Given the growth plans, the leverage is expected to increase from the current levels and ACAPL would need equity infusions from its parent over the medium term to maintain prudent capitalisation levels (managed gearing of less than 3x). In this regard, the parent, MTPL, had a net worth of about Rs. 930 crore with free cash of about Rs. 164 crore as on March 31, 2024, which can be infused as equity in ACAPL as and when required. In ICRA's opinion, prudent capitalisation is one of the key mitigants against the credit risk associated with the Group's business. In addition to capital support, the company has sanctioned limits from Fasanara Capital through existing investors in the form of external commercial borrowings (ECBs), which would support the business growth going forward as well.

**Granular portfolio; demonstrated ability to grow the business** – ACAPL's portfolio is granular, comprising small-ticket loans to individuals with an average ticket size of about Rs. 53,000 spread across 2.8 million customers. About 6% of the AUM consisted of very small-ticket loans of less than Rs. 10,000 while the balance comprised loans of up to Rs. 5 lakh as on June 30, 2024. The short tenure of the loans (1-36 months) also supports the company's liquidity profile. ACAPL has demonstrated the ability to scale up the business with the AUM increasing at a compound annual growth rate (CAGR) of 84% to Rs. 1,839 crore as on March 31, 2024 from Rs. 160 crore as on March 31, 2020. The growth rate, however, moderated in FY2024 to 25% and is expected to be relatively lower in the current fiscal as well owing to the tightening of the underwriting standards and the company's more calibrated approach, given the overall concerns regarding small-ticket unsecured loans.

### For the [ICRA]BBB+(CE) (Stable) rating

**Presence of partial guarantee for credit-enhanced term loan of Rs. 15 crore** – The Rs. 15-crore term loan is credit enhanced by an unconditional, irrevocable and payable on demand guarantee from NACL (partial credit guarantee (PCG) provider), amounting to 29.00% of the initial loan amount, guaranteeing the repayment of the principal and the payment of interest amounts in relation to the facility.

### Credit challenges

**Small scale of operations; ability to raise funds in a timely manner critical for growth** – ACAPL's AUM growth moderated to 25% in FY2024 from 162% in FY2023 because of faster amortisation with the reduction in the average tenor and the introduction of the free credit period product in the previous year. There was a sharp increase in disbursements to Rs. 5,075 crore in FY2024 from Rs. 2,860 crore in FY2023. However, the AUM growth moderated to 25% in FY2024 with AUM growing to Rs. 1,839 crore as on March 31, 2024 from Rs. 1,466 as on March 31, 2023 because of the short tenor of the product. As on June 30, 2024, the AUM shrunk by 16% (annualised basis) to Rs. 1,767 crore because of the calibrated approach adopted by the company. This was also due to the short tenure of the loans and hence faster amortisation. Though the company has a pan-India presence in terms of its borrowers, the scale of operations remains small.

ICRA believes that achieving economies of scale would remain pivotal for the Group to attain net profitability on a sustained basis. Therefore, its ability to raise further funds (both debt and equity) in a timely manner will be critical for growth. ICRA notes that ACAPL has sanctioned ECB lines of ~Rs. 600 crore from Fasanara Capital through existing investors, of which Rs. 375 crore has already been disbursed, in addition to free cash of about Rs. 161 crore at MTPL as on June 30, 2024, which is expected to be infused as equity or debt, when required.

**Modest profitability on consolidated basis, albeit improving; sustainability of profitability yet to be established** – ACAPL reported modest profitability during FY2021-FY2023 with average RoMA<sup>3</sup> of 1.1% on a standalone basis. On a consolidated basis, the Group had reported losses till FY2023 due to the high operating and credit costs. However, with the increased scale of operations over the past three years and some changes in the product features, the company reported a net profit on a consolidated basis in FY2024 for the first time since inception.

The NIMs improved to 24.7% in FY2024 from 16.6% in FY2023, on a consolidated basis (audited financials for ACAPL and provisional financials for EQXAPL) because of higher fee income and lower gearing. At the same time, other operating income improved sharply to 9.3% in FY2024 from 2.9% in FY2023, driven by higher transaction fees during the year. The operating expenses remained elevated at 12.2% in FY2024 (consolidated basis; 13.5% in FY2023) due to the share-based payments (which are non-cash in nature) and the Group being in the expansion phase and investing in strengthening its teams and technology platforms. The credit costs increased sharply to 20.3% in FY2024 from 9.0% in FY2023 due to changes in the write-off policy as well as the higher provision cover. Overall, ACAPL reported a net profit, on a consolidated basis, for the first time since inception in FY2024 with RoMA and RoNW of 1.4% and 5.1%, respectively.

NIMs remained high at 23.3% in Q1 FY2025, on a consolidated basis, supported by lower gearing while other operating income stood at 8.2%. Operating expenses declined to 9.6% in Q1 FY2025 due to limited incremental business and sustained low employee base while the credit costs moderated to 11.6% with the improvement in delinquencies. While the profitability improved in Q1 FY2025 with RoMA and RoNW of 7.1% and 21.6%, respectively, the sustenance of the same with the improvement in the scale and control over the asset quality remains a monitorable.

**Moderate asset quality indicators** – The inherent riskiness in ACAPL's portfolio remains high due to the unsecured nature of the loans. The company's gross non-performing advances (GNPAs; recognised on 90+ dpd basis) stood at 4.1% as on June 30, 2024 (4.0% as on March 31, 2024) compared to 6.7% as on March 31, 2023. GNPAs, including write-offs/FLDG expenses on a consolidated basis, remained high at 16.4% (annualised basis) of the overall AUM as on June 30, 2024 (20.1% as on March 31, 2024) compared to 11.2% as on March 31, 2023. The 90+ dpd in relation to overall AUM stood at 2.7% as of June 30, 2024 (2.5% as on March 31, 2024).

Given the high churn nature of loan book, the underwriting quality is not fully reflected by the credit cost in relation to AUM. In this regard, the credit costs, in relation to disbursements, stood at 7.2% in Q1 FY2025 (8.0% in FY2024), reflecting the riskiness in the portfolio and indicating that risk-adjusted returns in the segment can be adequate once the operating efficiency improves. The cumulative credit costs, in relation to cumulative disbursements since FY2018, stood at 1.8% (on annualised basis) in Q1 FY2025 (4.1% in FY2024). The company's ability to control slippages, manage fraud risk and maintain good credit underwriting standards would be a key rating monitorable, going forward.

## Liquidity position: Adequate

### For the [ICRA]BBB (Stable)/ [ICRA]A3+ rating

ACAPL's liquidity position is adequate with no negative cumulative mismatches in the asset-liability maturity (ALM) statement, as on June 30, 2024, owing to the short tenure of the loan book. As per the ALM profile as on June 30, 2024, the expected inflow from advances in the next one year stood at Rs. 1,136 crore, which is sufficient to cover the debt repayment of Rs. 330 crore during this period. Further, the company's cash and bank balance stood at ~Rs. 41 crore as on June 30, 2024. Additionally,

<sup>3</sup> Profitability ratios are given in relation to average managed assets. All figures and ratios as per ICRA's nomenclature/ definitions/ calculations

MTPL (the parent company) had free cash of about Rs. 161 crore as on June 30, 2024, which can be infused in ACAPL as and when required.

As on June 30, 2024, the Group's (ACAPL+EQXAPL) overall borrowing mix consisted of ECBs (47%), loans from non-banking financial companies (NBFCs)/financial institutions (FIs; 23%), NCDs (22%), commercial paper (CP; 3%), loans from banks (2%), inter-corporate deposits (ICDs; 1%) and others (2%).

#### For the [ICRA]BBB+(CE) (Stable) rating

Adequate liquidity is available for the rated term loan in the form of a PCG from NACL and the security pool. The PCG as well as the collections from the security pool can be utilised for meeting the scheduled payouts, if required.

#### For support provider (NACL)

As of March 31, 2024, NACL had positive mismatches across all the buckets of the structural liquidity statement. The average tenor of the loan/investment portfolio is 18-24 months. On the other hand, it has secured a sizeable portion of its borrowings from longer-tenor loans (average tenor of ~3 years) while only 13% of the total borrowings was from short-term sources including CP, cash credit and working capital demand loans as of March 2024. As of March 2024, term loans, working capital facilities from banks and FIs, NCDs (including sub-debt), ECBs, CP and pass-through certificates (PTCs) accounted for 66%, 7%, 11%, 8%, 5% and 3%, respectively, of the total borrowings. NACL had cash and liquid investments of Rs. 1,042.0 crore and undrawn credit lines of Rs. 1,405.0 crore as on April 30, 2024, against repayment obligations of Rs. 3,099.0 crore during May 2024 to October 2024. The monthly collection efficiency remained robust throughout FY2024.

### Rating sensitivities

#### For the [ICRA]BBB (Stable)/ [ICRA]A3+ rating

**Positive factors** – An increase in the scale of operations along with an improvement in the profitability indicators, while maintaining good asset quality and a prudent capitalisation structure on a sustained basis, could lead to a rating upgrade.

**Negative factors** – A decline in the scale of operations or a deterioration in the asset quality indicators, resulting in pressure on the profitability indicators, could lead to a rating downgrade.

#### For the [ICRA]BBB+(CE) (Stable) rating

The rating assigned to the Rs. 15-crore term loan programme would remain sensitive to any movement in the ratings or outlook of ACAPL and NACL.

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">ICRA's rating methodology for non-banking finance companies</a> <a href="#">Rating methodology for partially guaranteed debt</a> <a href="#">Policy on withdrawal of credit ratings</a>
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation; ICRA has considered the consolidated financials of ACAPL and its Group company – EQXAPL, owing to their business linkages, common management and shared infrastructure.

### About the company

ACAPL is a Delhi-based non-deposit taking NBFC registered with the Reserve Bank of India (RBI) since 2016. It started operations in 2017. The company primarily provides unsecured short-term personal loans to salaried individuals through web and mobile platforms. ACAPL is currently owned by MTPL, a Singapore-based neobanking start-up backed by investors like

Blowfish Ventures, Divine Blessing Investments, Altara Ventures, Positive Moves Consulting, Fasanara Capital, Tencent Group, Uncorrelated Ventures etc.

ACAPL is a 100% subsidiary of MTPL (holding company incorporated in Singapore). The Group has another wholly-owned subsidiary, EQX Analytics Private Limited (EQXAPL), which houses the technology platform known as StashFin and sources leads. The technology platform is used by ACAPL and other co-lenders for lending to customers.

On a consolidated basis (ACAPL+EQXAPL), the Group reported a profit after tax (PAT) of Rs. 27 crore<sup>4</sup> in FY2024 on a total managed asset base of Rs. 2,059 crore as on March 31, 2024 compared to a net loss of Rs. 55 crore in FY2023 on a total managed asset base of Rs. 1,967 crore as on March 31, 2023. The Group's consolidated net worth stood at Rs. 637 crore with a managed gearing of 2.0x as on March 31, 2024 compared with Rs. 425 crore and 3.3x, respectively, as on March 31, 2023. The Group reported a PAT of Rs. 36 crore<sup>5</sup> in Q1 FY2025 on a total managed asset base of Rs. 1,978 crore as on June 30, 2024. The net worth was Rs. 688 crore with a managed gearing of 1.6x as on June 30, 2024.

On a standalone basis, ACAPL reported a PAT of Rs. 69<sup>6</sup> crore in FY2024 on a total managed asset base of Rs. 1,996 crore as on March 31, 2024 compared to a PAT of Rs. 8 crore in FY2023 on a total managed asset base of Rs. 1,871 crore as on March 31, 2023. The net worth stood at Rs. 593 crore with a managed gearing of 2.1x as on March 31, 2024 compared with Rs. 411 crore and 3.3x, respectively, as on March 31, 2023. The GNPA and net NPA (NNPA), as a percentage of the overall AUM, stood at 4.0% and 1.8%, respectively, as on March 31, 2024 compared with 6.7% and 5.7%, respectively, as on March 31, 2023. It reported a PAT of Rs. 50 crore<sup>7</sup> in Q1 FY2025 on a total managed asset base of Rs. 1,920 crore as on June 30, 2024. ACAPL had a net worth of Rs. 648 crore with a managed gearing of 1.7x as on June 30, 2024. The company's GNPA and NNPA, as a percentage of the overall AUM, stood at 4.1% and 1.9%, respectively, as on June 30, 2024.

#### Key financial indicators (consolidated)

ACAPL+EQXAPL	FY2022/Mar-22	FY2023/Mar-23	FY2024/Mar-24	Q1 FY2025/Jun-24
	Audited	Audited	Audited (ACAPL)/ Provisional (EQXAPL)	Provisional
<b>Total income</b>	155	341	834	192
<b>Profit after tax</b>	(10)	(55)	27	36
<b>Total managed assets</b>	730	1,967	2,059	1,978
<b>Return on average managed assets</b>	-2.2%	-4.1%	1.4%	7.1%
<b>Managed gearing (times)</b>	1.4	3.3	2.0	1.6
<b>Gross NPA (% of overall AUM)</b>	0.0%	6.7%	4.0%	4.1%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

#### Key financial indicators (standalone)

ACAPL (standalone)	FY2022/Mar-22	FY2023/Mar-23	FY2024/Mar-24	Q1 FY2025/Jun-24
	Audited	Audited	Audited	Provisional
<b>Total income</b>	48	216	784	183
<b>Profit after tax</b>	6	8	69	50
<b>Total managed assets</b>	672	1,871	1,996	1,920
<b>Return on average managed assets</b>	1.6%	0.6%	3.6%	10.2%
<b>Managed gearing (times)</b>	1.3	3.3	2.1	1.7
<b>Gross NPA (% of overall AUM)</b>	0.0%	6.7%	4.0%	4.1%
<b>CRAR</b>	43.3%	29.0%	31.7%	34.9%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

#### Northern Arc Capital Limited (support provider)

<sup>4</sup> Consolidated PAT adjusting for non-cash share-based payments stood at Rs. 99 crore in FY2024.

<sup>5</sup> Consolidated PAT adjusting for non-cash share-based payments stood at Rs. 53 crore in Q1 FY2025.

<sup>6</sup> Standalone PAT adjusting for non-cash share-based payments stood at Rs. 91 crore in FY2024.

<sup>7</sup> Standalone PAT adjusting for non-cash share-based payments stood at Rs. 55 crore in Q1 FY2025.



Northern Arc Capital is a systemically important NBFC. It acts as a platform in the financial services sector with the objective of catering to the diverse credit requirements of underserved households and businesses by providing access to debt finance. This is done either through direct lending and investments or by providing syndication and structuring services. The company commenced its business by targeting microfinance institutions (MFIs) and has diversified into other sectors including micro, small, and medium enterprise (MSME) finance, vehicle finance (includes commercial vehicle and two-wheeler finance), consumer finance, affordable housing finance and agricultural supply chain finance. Further, over the years, NACL has steadily diversified across products, geographies, and borrower segments. Nimbus, NACL's proprietary technology system, forms the backbone of its growth as a platform and enables the scaling up of business operations with execution and functional efficiency and data analytics.

As of March 2024, on a fully-diluted basis, 360 One Special Opportunities Fund was the largest shareholder with a stake of 25.6% in NACL, followed by Leapfrog Financial Inclusion India II Limited (22.5%), Augusta Investments II Pte Ltd (19.5%), Eight Roads Investments (Mauritius) (II) Limited (10.2%), Dvara Trust (7.5%), Accion (5.8%), SMBC (5.3%) and others (3.6%).

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Instrument	Current (FY2025)					Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs Crore)	09-AUG-2024	FY2025		FY2024		FY2023		FY2022	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
<b>Long term-term loan-fund based</b>	Long Term	15.00	[ICRA]BBB+(CE) (Stable)	10-MAY- 2024	[ICRA]BBB+(CE) (Stable)	05-APR-2023	[ICRA]BBB (Stable)	03-OCT-2022	[ICRA]BBB (Stable)	09-DEC-2021	[ICRA]BBB- (Stable)
				10-MAY- 2024	[ICRA]BBB (Stable)	05-APR-2023	Provisional [ICRA]BBB+(CE) (Stable)	20-OCT-2022	[ICRA]BBB (Stable)	11-MAR- 2022	[ICRA]BBB- (Stable)
				-	-	04-JUL-2023	[ICRA]BBB+(CE) (Stable)	20-DEC-2022	[ICRA]BBB (Stable)	-	-
				-	-	04-JUL-2023	[ICRA]BBB (Stable)	-	-	-	-
				-	-	10-AUG- 2023	[ICRA]BBB+(CE) (Stable)	-	-	-	-
				-	-	10-AUG- 2023	[ICRA]BBB (Stable)	-	-	-	-
<b>Long term- others-fund based</b>	Long Term	200.00	[ICRA]BBB (Stable)	-	-	-	-	-	-	-	-
<b>Long term-term loan-fund based</b>	Long Term	0.00	-	10-MAY- 2024	[ICRA]BBB+(CE) (Stable)	05-APR-2023	[ICRA]BBB (Stable)	03-OCT-2022	[ICRA]BBB (Stable)	09-DEC-2021	[ICRA]BBB- (Stable)
				10-MAY- 2024	[ICRA]BBB (Stable)	05-APR-2023	Provisional [ICRA]BBB+(CE) (Stable)	20-OCT-2022	[ICRA]BBB (Stable)	11-MAR- 2022	[ICRA]BBB- (Stable)
				-	-	04-JUL-2023	[ICRA]BBB+(CE) (Stable)	20-DEC-2022	[ICRA]BBB (Stable)	-	-
				-	-	04-JUL-2023	[ICRA]BBB (Stable)	-	-	-	-
				-	-	10-AUG- 2023	[ICRA]BBB+(CE) (Stable)	-	-	-	-
				-	-	10-AUG- 2023	[ICRA]BBB (Stable)	-	-	-	-
<b>Commercial paper</b>	Short Term	80.00	[ICRA]A3+	10-MAY- 2024	[ICRA]A3+	05-APR-2023	[ICRA]A3+	03-OCT-2022	[ICRA]A3+	11-MAR- 2022	[ICRA]A3
				-	-	04-JUL-2023	[ICRA]A3+	20-OCT-2022	[ICRA]A3+	-	-



				-	-	10-AUG-2023	[ICRA]A3+	20-OCT-2022	[ICRA]A3+	-	-
				-	-	-	-	20-DEC-2022	[ICRA]A3+	-	-
<b>Bonds/NCD/ Long-term debt</b>	Long Term	376.50	[ICRA]BBB (Stable)	10-MAY-2024	[ICRA]BBB (Stable)	05-APR-2023	[ICRA]BBB (Stable)	03-OCT-2022	[ICRA]BBB (Stable)	11-MAR-2022	[ICRA]BBB- (Stable)
				-	-	04-JUL-2023	[ICRA]BBB (Stable)	20-OCT-2022	[ICRA]BBB (Stable)	-	-
				-	-	10-AUG-2023	[ICRA]BBB (Stable)	20-OCT-2022	[ICRA]BBB (Stable)	-	-
				-	-	-	-	20-DEC-2022	[ICRA]BBB (Stable)	-	-
<b>Bonds/NCD/ Long-term debt</b>	Long Term	600.00	[ICRA]BBB (Stable)	10-MAY-2024	[ICRA]BBB (Stable)	05-APR-2023	[ICRA]BBB (Stable)	03-OCT-2022	[ICRA]BBB (Stable)	11-MAR-2022	[ICRA]BBB- (Stable)
				-	-	04-JUL-2023	[ICRA]BBB (Stable)	20-OCT-2022	[ICRA]BBB (Stable)	-	-
				-	-	10-AUG-2023	[ICRA]BBB (Stable)	20-OCT-2022	[ICRA]BBB (Stable)	-	-
				-	-	-	-	20-DEC-2022	[ICRA]BBB (Stable)	-	-

LT – Long term, ST – Short term; \* As on June 30, 2024

### Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based term loans	Simple
Non-convertible debentures	Very Simple
Commercial paper	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details (as on June 30, 2024)**

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE08XP07118	NCD	May-04-2023	11.0500%	May-11-2024	49.50	[ICRA]BBB (Stable); withdrawn
INE08XP07050	NCD	Dec-28-2022	11.7500%	Jun-28-2024	30.00	[ICRA]BBB (Stable); withdrawn
INE08XP07126	NCD	May-15-2023	12.0000%	Jun-30-2024	10.00	[ICRA]BBB (Stable); withdrawn
INE08XP07142	NCD	Jun-07-2023	11.5000%	Oct-31-2024	30.0	[ICRA]BBB (Stable)
INE08XP07092	NCD	Nov-29-2022	14.0000%	Dec-31-2024	75.0	[ICRA]BBB (Stable)
INE08XP07134	NCD	Apr-23-2023	14.0000%	Dec-01-2024	30.0	[ICRA]BBB (Stable)
INE08XP07159	NCD	Jun-16-2023	10.0100%	Jan-21-2025	20.0	[ICRA]BBB (Stable)
INE08XP07159	NCD	Jul-28-2023	10.0100%	Jan-21-2025	20.1	[ICRA]BBB (Stable)
INE08XP07175	NCD	Nov-12-2023	11.5000%	Feb-28-2025	20.0	[ICRA]BBB (Stable)
INE08XP07100	NCD	Mar-14-2023	14.0000%	Mar-31-2025	25.0	[ICRA]BBB (Stable)
INE08XP07191	NCD	Apr-19-2024	13.0000%	Apr-24-2025	5.0	[ICRA]BBB (Stable)
INE08XP07209	NCD	May-10-2024	12.0000%	Jun-21-2025	5.0	[ICRA]BBB (Stable)
INE08XP07233	NCD	Jun-21-2024	10.0100%	Dec-21-2025	70.0	[ICRA]BBB (Stable)
INE08XP07217	NCD	May-31-2024	11.9000%	Dec-03-2026	20.0	[ICRA]BBB (Stable)
INE08XP07225	NCD	May-31-2024	12.0000%	Dec-03-2029	10.0	[ICRA]BBB (Stable)
NA	NCD^	NA	NA	NA	646.4	[ICRA]BBB (Stable)
NA	Bank line – 1	NA	NA	NA	5.00	[ICRA]BBB (Stable)
NA	Bank line – 2	NA	NA	NA	2.08	[ICRA]BBB (Stable)
NA	Bank line – 3	NA	NA	NA	3.15	[ICRA]BBB (Stable)
NA	Bank line – 4	NA	NA	NA	9.24	[ICRA]BBB (Stable)
NA	Bank line – 5	NA	NA	NA	20.00	[ICRA]BBB (Stable)
NA	Long-term fund-based others ^	NA	NA	NA	160.53	[ICRA]BBB (Stable)
NA	Term loan - 3	Mar-29-2023	12.00%	Mar-30-2025	5.41	[ICRA]BBB+(CE) (Stable)
NA	Long-term fund-based term loan^	NA	NA	NA	9.59	[ICRA]BBB+(CE) (Stable)
INE08XP14072	Commercial paper	Jun-26-2024	15.4500%	Aug-26-2024	12.5	[ICRA]A3+
INE08XP14064	Commercial paper	Jun-26-2024	15.5500%	Sep-26-2024	12.5	[ICRA]A3+
NA	Commercial paper^	NA	NA	NA	55.00	[ICRA]A3+

Source: Company, ICRA Research; ^ Yet to be placed/Proposed

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company Name	Ownership	Consolidation Approach
Akara Capital Advisors Private Limited	Rated entity	Full consolidation
EQX Analytics Private Limited	Group company with same parent	Full consolidation

## ANALYST CONTACTS

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## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited

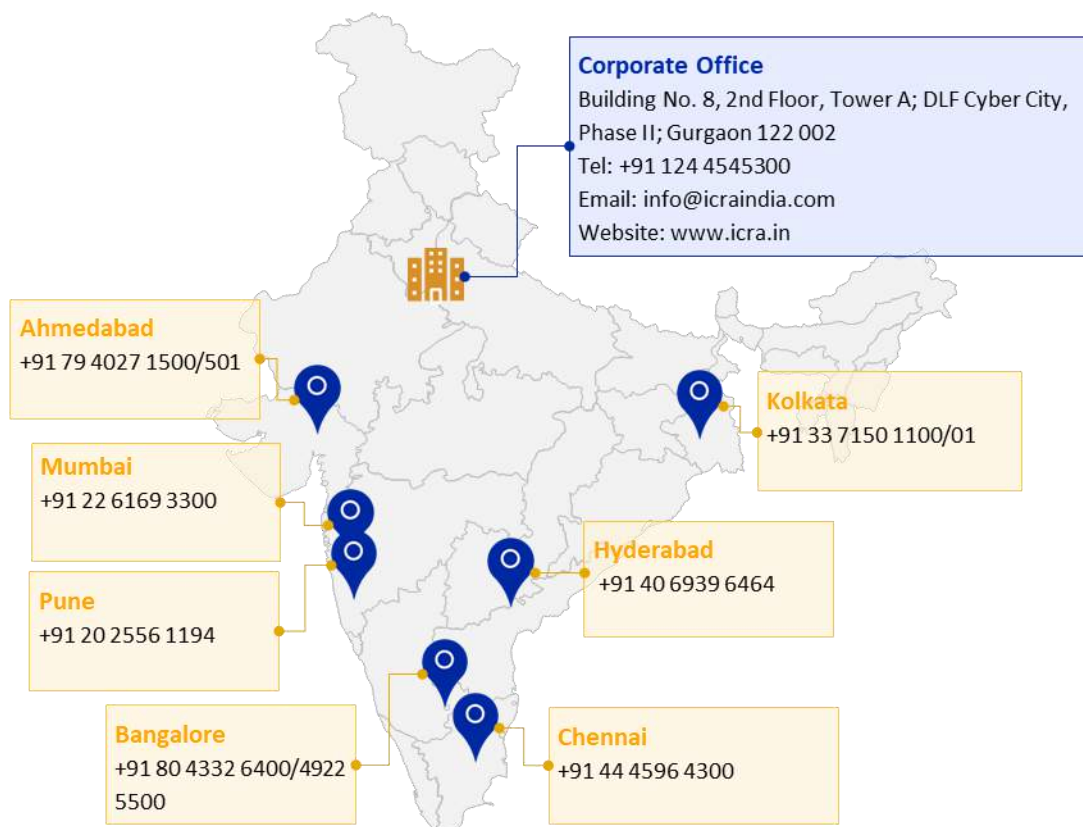


### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



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68394/CL/MUM/24-25/DEB/577

Date: February 11, 2025

**Akara Capital Advisors Private Limited**

60,3rd Floor,  
Arjun Nagar,  
Kotla, Mubarakpur,  
New Delhi-110003, Delhi  
INDIA

**Kind Attn: Ms. Shruti Aggarwal (Director)**

**Sub: Consent Letter to act as Debenture Trustee for Secured Listed Non-Convertible Debentures aggregating upto Rs. 20.00 Crores (+ GSO Rs. 15.00 Crores)**

Dear Mam,

This is with reference to our discussion regarding appointment of Beacon Trusteeship Limited as Debenture Trustee for Secured Listed Non-Convertible Debentures aggregating to Rs. 20.00 Crores (+ GSO Rs. 15.00 Crores)

In this regards it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee. In this connection, we confirm our acceptance to act as Debenture Trustee for the same.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Looking forward to a long and fruitful association with your esteemed organization.

Yours faithfully

**For Beacon Trusteeship Limited**

Accepted

**For Akara Capital Advisors Private Limited**



**Bhagyashree Korpade**

Relationship Manager

Mumbai, February 11, 2025

**Authorised Signatory**

**Authorised Signatory**

---

**BEACON TRUSTEESHIP LTD.**

Regd & Corporate Office : 5W, 5th Floor, The Metropolitan, E-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051

CIN: L74999MH2015PLC271288

Phone : 022 - 46060278 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

## AKARA CAPITAL ADVISORS PRIVATE LIMITED

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**CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE BOARD OF DIRECTORS MEETING NO. 14/2024-25 OF AKARA CAPITAL ADVISORS PRIVATE LIMITED HELD ON TUESDAY, 11<sup>TH</sup> DAY OF FEBRUARY, 2025 AT 11:00 A.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT MAGNUM GLOBAL PARK, 18TH FLOOR, GOLF COURSE EXTENTION, SECTOR – 58, GURUGRAM – 122011, HARYANA**

---

**ISSUANCE OF 3,500 SECURED, LISTED, RATED, TAXABLE, TRANSFERRABLE REDEEMABLE, NON-CONVERTIBLE DEBENTURES AMOUNTING TO INR 35 CRORES TO ELIGIBLE INVESTORS**

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "Act"), all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI") or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be required from any statutory or regulatory authority, the approval of the Board be and is hereby accorded for:

- (a) Issuance of 3,500 (Three Thousand Five Hundred) Secured, Listed, Rated, Taxable, Transferable, Redeemable, Non-Convertible Debentures ("Debentures") denominated in Indian Rupees ("INR"), each having a face value of INR 1,00,000/- (Indian Rupees One Lakhs only) aggregating to primary issuance of INR 20,00,00,000 (Indian Rupees Twenty Crores Only – 2000 debentures) and Green Shoe option of INR 15,00,00,000 (Indian Rupees Fifteen Crores Only – 1500 debentures) or such other number of debentures, face value and amount as may be determined ("Debentures") for a period of up to 42 Months from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed, on a private placement basis to eligible categories of investors as identified in the Key Information document that shall have applied for subscribing to the Debentures (being the identified persons for the purposes of Section 42 of the Act) ("Investors") for raising debt for on-lending/disbursement by the Company in the form of loans to its clients/borrowers of the Company and for such other purposes as may be agreed with the Investors, and
- (b) collateralizing/supporting the amounts to be raised pursuant to the issue of the Debentures together with all interest and other charges thereon (up to such limits and security cover and within such timelines as may be agreed) by one or more of the following (i) hypothecation of certain identified book debts/loan receivables (and/or other assets) of the Company and such other security or contractual comfort as may be required in terms of the issuance of the Debentures (the "**Security/Collateral**")".

**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, Director or Mr. Pushkar Bhola – VP, Debt Capital Markets or Mr. Ashish Jha – AVP, Debt Capital Market of the Company be and is hereby severally authorized to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

- (a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;
- (b) executing the term sheet in relation to the Debentures;
- (c) negotiating, approving and deciding the terms of the issue of the Debentures and all other related matters;

## AKARA CAPITAL ADVISORS PRIVATE LIMITED

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- (d) finalizing the terms and conditions of the appointment of an arranger, a debenture trustee, a registrar and transfer agent, a credit rating agency, a legal counsel, the depository(ies) and such other intermediaries including their successors and their agents, as may be required in relation to the issue, offer and allotment of the Debentures;
- (e) finalizing the terms of the issue, offer and allotment of the Debentures;
- (f) to request guarantor (if any) to issue the Corporate Guarantee and execute all agreements, documents, power of attorneys, deeds and writings in relation to the same including the deed of guarantee in favour of the debenture trustee or any other entity as required by the Investors, if any;
- (g) entering into arrangements with the depository(ies) in connection with the issue, offer and allotment of Debentures in dematerialized form;
- (h) entering into the listing agreement with the Stock exchange(s);
- (i) obtaining ISIN;
- (j) creating and perfecting the Security/Collateral as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the Debentures;
- (k) finalizing the deemed date of allotment of the Debentures;
- (l) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and dealing with regulatory authorities in connection with the issue, offer and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), the relevant registrar of companies, the Central Registry of Securitization Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository(ies), and such other authorities as may be required;
- (m) signing and/or dispatching all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
- (n) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novation's thereto (now or in the future):
  - (i) the Key Information Document ("KID") for the issue, offer and allotment of the Debentures;
  - (ii) the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, and any other documents required for the creation of security interest over the Company's Book Debts, or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto ((i) and (ii) are collectively referred to as the "Transaction Documents");
  - (iii) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and



## AKARA CAPITAL ADVISORS PRIVATE LIMITED

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- (iv) any other document designated as a Transaction Document by the debenture trustee/holders of the Debentures.
- (o) do all act necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Key Information Document Memorandum ("KID") and the Transaction Documents; and
- (p) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the issue, offer and allotment of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable in relation to the issue, offer and allotment of the Debentures.

**"RESOLVED FURTHER THAT** the Company be and is hereby authorized to get itself and the Debentures admitted to the National Securities Depository Limited or Central Depository Services (India) Limited as may be required and to execute or ratify the necessary agreement(s) with those depositories and the registrar and transfer agent and any other agreements, undertakings or other writings required for the issue of the Debentures in the dematerialized form and the Authorized Person be and are hereby severally authorized to negotiate, finalize and execute or ratify the same.

**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, Director and/or the Company Secretary of the Company, be and is hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms with the relevant registrar of companies, the Stock Exchange Board of India, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or the depository(ies), and/or any other relevant governmental authorities.

**RESOLVED FURTHER THAT** the Board hereby approves and ratifies all such acts, deeds and actions taken by the Company till date for the purpose of the issue, offer and allotment of the Debentures.

**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, Director and/or the Company Secretary of the Company, be and is hereby severally authorized to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and things as may be required to give effect to the issuance and allotment of the Debentures.

**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, Director and/or the Company Secretary of the Company be and is hereby severally authorized to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, Director of the Company or Mr. Pushkar Bhola –VP, Debt Capital Markets or Mr. Ashish Jha – AVP, Debt Capital Market be and are hereby severally authorized to approve and finalize, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnities and documents as may be required, or any of them in connection with the Debentures to be issued by the Company.

**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, Director of the Company or Mr. Pushkar Bhola – VP, Debt Capital Markets or Mr. Ashish Jha – AVP, Debt Capital Market, be and are hereby severally authorized to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf.

**RESOLVED FURTHER THAT** upon receipt of subscription money, the Management Operation Committee of the Board take all necessary steps for allotment of the securities.

## AKARA CAPITAL ADVISORS PRIVATE LIMITED

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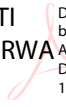
**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, Director be and is hereby severally authorized to delegate the powers to any other employee/representative/agent as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the Debentures.

**RESOLVED FURTHER THAT** copies of the foregoing resolutions certified to be true copies by any Director or the Company Secretary of the Company be furnished to such persons as may be deemed necessary.

### **Certified True Copy**

#### **For Akara Capital Advisors Private Limited**

SHRUTI  
AGGARWAL  
L



Digitally signed  
by SHRUTI  
AGGARWAL  
Date: 2025.02.11  
12:27:40 +05'30'

**Shruti Aggarwal**

**Director**

**DIN: 06867269**

**Date: 11<sup>th</sup> February, 2025**

## **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

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**CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED HELD ON THURSDAY, 14<sup>TH</sup> DAY OF NOVEMBER 2024 AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT 18<sup>TH</sup> FLOOR, MAGNUM GLOBAL PARK 2, GOLF COURSE ROAD EXTENSION, SECTOR-58, GURGAON - 122011**

---

### **To approve the limit of Issuance of Non-Convertible Debentures('NCDs') up to INR 1000 Crores**

“**RESOLVED THAT** in supersession to the previous members resolution passed on 10<sup>th</sup> May, 2023 and pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any modification, amendment, substitution or re-enactment thereof, for the time being in force and the provisions of the memorandum of association and the articles of association of the Company, the approval and consent of the members of the Company, be and is hereby accorded to the board of directors of the Company (the "Board") to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures ((a) listed or unlisted, (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others (as may be determined)) (including market linked debentures) ("NCDs"), on a private placement basis, in one or more tranches, provided that the outstanding amounts of all such NCDs at any time during the period shall not exceed INR 1000 Crores (Indian Rupees One Thousand Crores only).”

**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange, settle and determine the terms and conditions (including without limitation, interest, repayment, security or otherwise) as it may think fit of such NCDs, and to do all such acts, deeds, and things, and to execute all such documents, instruments and writings as may be required to give effect to these resolutions.

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and are hereby severally authorised to issue a certified true copy of this resolution to the concerned authorities as and when required.”

### **CERTIFIED TRUE COPY**

**FOR M/S. Akara Capital Advisors Private Limited**

**SHRUTI**

**AGGARWAL**

**Shruti Aggarwal**

**Director**

**DIN: 06867269**

**Address: 6A/2, Raj Narayan Road**

**Civil Lines, North Delhi – 110054, Delhi**

Digitally signed by  
SHRUTI AGGARWAL

Date: 2024.11.19  
16:07:52 +05'30'

**Date: 18<sup>th</sup> November 2024**

**Place: New Delhi**



**Bigshare Services Pvt. Ltd.**

302, Kudal Bazar, 12<sup>th</sup> Floor, New Pinnacles, Sakinaka, Andheri (E), Mumbai - 400 072, India  
Email: info@bigshareonline.com • Website: www.bigshareonline.com

**SEBI**  
**REGISTERED CATEGORY I**  
**REGISTRAR & TRANSFER**  
**AGENT**



**February 06, 2025**

**To,**

**Company Secretary**

**AKARA CAPITAL ADVISORS PRIVATE LIMITED**  
CRC-2, 1ST FLOOR, KHASRA NO. 337,  
MEHRAULI-GURGAON RD.,  
SULTANPUR, NEW DELHI-110030.

**Sub: Rated, Listed, Senior, Secured, Redeemable, Taxable, Transferrable Non-Convertible Debentures ("NCDs" or "Debentures").**

**Dear Sir/Madam,**

We, the undersigned, hereby consent to act as Registrar to the Proposed issue of 3,500 (Three Thousand Five Hundred) fully paid, listed, rated, senior, secured, redeemable, taxable, transferable, non-convertible debentures of the nominal value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, ("Debentures") denominated in Indian Rupees ("INR"), and to our name being inserted as Registrar to the offer in the letter of offer and other documents filed with statutory authorities.

For Bigshare Services Private Limited

Mukesh Kumar  
Branch Manager



**CIN : U99999MH1994PTC076534**

**Regd. Office: E-2/3, Ansa Industrial Estate, Sakinaka Road, Sakinaka, Andheri (E), Mumbai - 400 072, India**

**Corporate Office: Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400 093.**

**Tel : +91 22 6263 8200 • Fax : +91 22 6263 8299 • Email : info@bigshareonline.com • Website : www.bigshareonline.com**

**AKARA CAPITAL ADVISORS PRIVATE LIMITED**  
**60, SECOND FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI**  
**CIN : U74110DL2016PTC290970**

**Statement of standalone unaudited financial results for the six months period ended September 30, 2024**

(₹ in lakhs except otherwise stated)

Particulars	Quarter ended September 30, 2024 (Unaudited)	Year ended March 31, 2024 (Audited)
<b><u>ASSETS</u></b>		
<b>Financials Assets</b>		
Cash and cash equivalents	10,710.64	2,116.15
Bank Balance other than cash and cash equivalents	6,784.09	1,670.11
Receivable		
(I) Trade receivable	-	-
(II) Other receivable	1,097.26	664.09
Loans	1,41,836.72	1,42,052.21
Investments	-	-
Derivative Financial Instruments	27.82	
Other financials assets	3,282.72	2,957.89
<b>Total Financial Assets</b>	<b>1,63,739.26</b>	<b>1,49,460.44</b>
<b>Non-Financials Assets</b>		
Current tax assets (net)	-	-
Deffered tax assets (net)	2,872.40	2,609.29
Property, Plant & Equipment		
Right to use assets	9.65	12.86
Intangible assets under Development	27.60	12.50
Intangible assets	745.69	872.15
Other non-financial assets	451.56	79.20
<b>Total Non-Financials Assets</b>	<b>4,106.91</b>	<b>3,586.00</b>
<b>Total Assets</b>	<b>1,67,846.16</b>	<b>1,53,046.43</b>
<b><u>LIABILITIES AND EQUITY</u></b>		
<b>Liabilities</b>		
<b>Financials liabilities</b>		
Derivative Financial Instruments	-	86.11
Trade Payables		
(i) total outstanding dues of micro enterprise and small enterprises	55.51	70.51
(ii) total outstanding dues of creditors other than micro enterprise and small enterprises	1,022.31	1,057.77
Debt securities	22,297.00	17,390.17
Borrowings (other than debt securities)	73,814.68	70,132.31
Other financials liabilities	1,293.36	1,446.57
<b>Total Financial Liabilities</b>	<b>98,482.86</b>	<b>90,183.44</b>
<b>Non-financial liabilities</b>		
Deffered tax Liabilities (net)	-	-
Current tax Liabilities (net)	2,786.13	3,033.32
Provisions	931.78	552.83
Other non-financial liabilities	-	-
<b>Total Non-financial liabilities</b>	<b>3,717.91</b>	<b>3,586.15</b>
<b>Equity</b>		
Equity share capital	31,599.40	31,599.40
Instruments entirely equity in nature		
Other equity	34,045.99	27,677.45
<b>Total equity</b>	<b>65,645.39</b>	<b>59,276.85</b>
<b>Total liabilities and equity</b>	<b>1,67,846.16</b>	<b>1,53,046.43</b>

Place : Delhi  
Date: 14-11-2024

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AGGARWAL  
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AGGARWAL  
Date: 2024.11.14 16:01:21  
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Shruti Aggarwal

Director  
DIN: 06867269

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Tushar Aggarwal  
Managing Director  
& CEO  
DIN: 01587360

**AKARA CAPITAL ADVISORS PRIVATE LIMITED**  
**60, SECOND FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI**  
**CIN : U74110DL2016PTC290970**

Statement of standalone unaudited financial results for the six months period ended September 30, 2024

(₹ in lakhs except otherwise stated)

	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2024 (Unaudited)	June 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)	March 31, 2024 (Audited)
	<b>Revenue from operations</b>						
	Interest income	13,702.16	14,180.18	15,455.67	27,882.34	33,991.92	64,146.60
	Fees and commission income	3,608.14	3,936.37	4,615.14	7,544.51	7,420.77	14,316.44
	Net gain on fair value changes	107.64	4.53		112.17		
	Net gain/(loss) on de-recognition of financial instruments under amortised cost category						
(I)	<b>Total revenue from operations</b>	<b>17,417.94</b>	<b>18,121.08</b>	<b>20,070.81</b>	<b>35,539.02</b>	<b>41,412.70</b>	<b>78,463.04</b>
(II)	Other income	860.23	678.82	28.46	1,539.05	39.84	2,229.45
(III)	<b>Total income (I+II)</b>	<b>18,278.17</b>	<b>18,799.90</b>	<b>20,099.26</b>	<b>37,078.07</b>	<b>41,452.53</b>	<b>80,692.48</b>
	<b>Expenses</b>						
	Finance costs	3,886.67	3,208.61	3,901.02	7,095.28	7,188.78	14,985.09
	Net loss on fair value changes	-	-		-		86.11
	Impairment on financial instruments	10,175.94	7,002.03	20,083.50	17,177.98	30,153.77	42,568.19
	Employee benefit expenses	858.72	772.82	935.59	1,631.54	1,231.10	3,529.98
	Depreciation and amortization	78.18	77.12	116.95	155.30	219.36	1,047.07
	Other expenses	1,621.30	1,583.31	2,245.63	3,204.61	7,680.02	11,264.10
(IV)	<b>Total expenses</b>	<b>16,620.82</b>	<b>12,643.90</b>	<b>27,282.70</b>	<b>29,264.72</b>	<b>46,473.03</b>	<b>73,480.54</b>
(V)	<b>Profit before tax (III-IV)</b>	<b>1,657.35</b>	<b>6,156.00</b>	<b>(7,183.43)</b>	<b>7,813.35</b>	<b>(5,020.49)</b>	<b>7,211.95</b>
(VI)	<b>Tax expense</b>						
	(1) Current tax	783.00	1,671.53	(2,313.47)	2,454.53	389.82	3,218.31
	(2) Tax related to earlier years	-					11.17
	(3) Deferred tax	(183.54)	(79.57)	390.82	(263.12)	(3,493.07)	(2,899.67)
	<b>Total tax expense</b>	<b>599.46</b>	<b>1,591.95</b>	<b>(1,922.65)</b>	<b>2,191.41</b>	<b>(3,103.25)</b>	<b>329.82</b>
(VII)	<b>Profit for the period (V-VI)</b>	<b>1,057.90</b>	<b>4,564.04</b>	<b>(5,260.78)</b>	<b>5,621.94</b>	<b>(1,917.25)</b>	<b>6,882.13</b>
(VIII)	<b>Other comprehensive income / (expenses)</b>						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	(12.07)	(3.02)	(2.16)	(15.09)	(5.73)	(15.68)
	Income tax relating to items that will not be reclassified to profit or loss	3.04	0.76	0.54	3.80	1.44	3.95
	<b>Other comprehensive income/(expenses)</b>	<b>(9.03)</b>	<b>(2.26)</b>	<b>(1.62)</b>	<b>(11.29)</b>	<b>(4.29)</b>	<b>(11.74)</b>
(IX)	<b>Total comprehensive income for the year/period (VII+VIII) (comprising profit/(loss) and other comprehensive income/(expenses) for the year/period)</b>	<b>1,048.86</b>	<b>4,561.78</b>	<b>(5,262.40)</b>	<b>5,610.64</b>	<b>(1,921.53)</b>	<b>6,870.39</b>
(X)	<b>Earnings per equity share #</b>						
	Basic (₹)	0.33	1.44	(1.81)	1.78	(0.69)	2.40
	Diluted (₹)	0.33	1.44	(1.88)	1.78	(0.68)	2.40

Place : Delhi  
Date: 14-11-2024

SHRUTI  
AGGARWAL  
Shruti Aggarwal  
Director  
DIN: 06867269

TUSHAR  
AGGARWAL  
Tushar Aggarwal  
Managing Director  
& CEO  
DIN: 01587360

**Notes:**

- 1) The Company is a systemically important non-deposit taking non-banking financial company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934.
- 2) The financial results for the quarter ended September 30, 2024, have been reviewed by the audit committee and approved by the board of directors at its meeting held on 14-11-2024. The report is being filed with the BSE limited.
- 3) The above financial results have been prepared in accordance with the requirements of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended and the Indian Accounting Standards ("IND AS") notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidelines and directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/applicable.
- 3) Pursuant to the RBI circular dated February 15, 2022, the Company has implemented necessary system in place to align its definition of default for loan assets with the guidelines stipulated in RBI circular dated November 12, 2021 - "Prudential Norms on Income Recognition, Asset classification and Provisioning pertaining to Advances- Clarifications" (the "RBI circular") for regulatory reporting, as applicable. The financial results for the quarter ended September 30, 2024, are prepared in accordance with the applicable Ind-AS guidelines and the RBI Circular dated March 13, 2020 – "Implementation of Indian Accounting Standards".
- 4) There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 5) Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the secured listed Non-Convertible Debentures of the Company are secured by first and exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 100% and above as per the terms of issue.
- 6) Disclosures in compliance with Regulation 52(4) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended September 30, 2024 is attached as Annexure I to these financial results.
- 7) The previous period's / year's figures have been regrouped / reclassified/Restated, wherever necessary, to correspond with the current period's / year's classification / disclosure.

**Place : Delhi**  
**Date : 14-11-2024**

**For and on behalf of the Board of Directors of**  
**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

TUSHAR  
AGGARWAL

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TUSHAR AGGARWAL  
Date: 2024.11.14  
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**Tushar Aggarwal**  
**Managing Director & CEO**  
**DIN : 01587360**

**Annexure I:**

Additional Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as at September 30, 2024 with respect to listed debentures of the Company issued on a private placement basis.

S No	Particulars	For the period ended September 30, 2024
(a)	Debt – Equity Ratio (Debt Securities + Borrowings other than debt securities + Subordinated debts) / (Net worth)	1.58
(b)	Net worth (Share Capital + Reserves & Surplus - Deferred Revenue Expenditure- Intangible Assets- Deferred Tax Assets) (₹ in lakh)	60,775.20
(c)	Net profit after tax (₹ in lakh)	5,621.94
(d)	Total debts to total assets (Debt Securities + Borrowings other than debt securities + Subordinated debts) / (Total assets)	0.57
(e)	Net profit margin (%) (Net profit after tax / Revenue from Operations)	15.82%
(f)	Earnings per share	
	(i) Basic (₹)	1.78
	(ii) Diluted (₹)	1.78
(g)	Debt Service Coverage Ratio	0.13
(h)	Interest Service Coverage Ratio	2.55
(i)	Outstanding Redeemable Preference Shares	NA
(j)	Debenture Redemption Reserve	NA
(k)	Current Ratio	NA
(l)	Long Term Debt to Working Capital	NA
(m)	Bad Debt to Amount Receivable	NA
(n)	Current liability Ratio	NA
(o)	Debtors Turnover Ratio	NA
(p)	Inventory Turnover Ratio	NA
(q)	Operating Margin (%)	NA
(r)	Other Regulatory Ratios	
	(a) Financial Assets to Total Assets (Total Financial Assets/ Total Assets)	97.55%
	(b) Financial Income to Total Income (Total Financial Income/Total Income)	100.00%
	(c ) Capital Tier I (Net Owned Funds)	60,775.20
	(d ) Capital Tier II (General provisions and loss reserves including Provision for Standard Assets (to the extent not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of 1.25% of RWA)	2,286.38
	(e) Total Risk Weighted Assets	1,82,910.39
	(f) Capital Adequacy Ratio	34.48%
	(g) As per RBI asset classification norms	
	Gross NPA (%) (Gross NPA/Gross Loans)	5.11%
	Net NPA (%) (Net NPA/ (Gross Loans-Impairment Allowance)	2.60%
	Provision Coverage Ratio (Impairment Allowance of stage 3 Loans/ Gross Stage 3 Loans)	52.82%

- 1 **The following ratios are not applicable to the company as it is an NBFC:**  
Current Ratio, Current Liability Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Long-Term Debts to Working Capital Ratio, Bad Debts to Accounts Receivable Ratio, Debtors Turnover, Inventory Turnover and Operating Profit Margin
- 2 **Capital Redemption Reserve/Debenture Redemption Reserve is not applicable to the company**
- 3 **In the calculation of Net Owned Funds(NOF), Deferred Revenue Expenditure includes Unamortised Borrowing Cost**
- 4 **NPA Calculatiions are stated based on stage 3 loans.**



**AKARA CAPITAL ADVISORS PRIVATE LIMITED**  
**60, SECOND FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI**  
**CIN : U74110DL2016PTC290970**  
**Statement of standalone unaudited financial results for the six months period ended September 30, 2023**

Particulars	(₹ in lakhs except otherwise stated)	
	As at September 30, 2024 (Unaudited)	As at September 30, 2023(Unaudited)
<b>A Cash flow from operating activities</b>		
Profit before tax	7,813.35	(5,020.49)
<b>Profit before tax</b>	<b>7,813.35</b>	<b>(5,020.49)</b>
<b>Non cash adjustment to reconcile (Loss)/Profit before tax to net cash flows:</b>		
Depreciation and amortization expense	155.30	219.36
Interest received on FD	(97.09)	(183.60)
Profit on sale of mutual funds	-	(1.89)
Gain or Loss on Remeasurement of defined benefit obligations	(11.29)	(4.29)
Impairment allowance of trade receivables	-	-
Provision for doubtful advances	-	-
Security deposits carried at amortised cost	-	-
Finance Cost	7,095.28	3,901.02
Other Inflows / (Outflows) of cash		
On Others	(1,744.00)	974.14
<b>Operating (Loss)/Profit before working capital changes</b>	<b>13,211.55</b>	<b>(115.75)</b>
<b>Working capital adjustments:</b>		
(Increase) / Decrease in Trade Receivables		3,294.07
(Increase) / Decrease in loans	215.49	(34,069.12)
(Increase) / Decrease in Other financial Assets	(352.66)	(2,288.16)
(Increase) / Decrease in Other Non Financial Assets	(372.36)	115.68
(Increase) / Decrease in Other Receivables	(433.17)	(565.32)
Increase / (decrease) in Trade Payables	(50.46)	983.28
Increase / (decrease) in Contract liabilities		
Increase / (decrease) in Other Financial liabilities	8,188.80	8,654.30
Increase / (decrease) in Other Non Financial liabilities		
Increase / (decrease) in Provisions	378.95	286.18
<b>Cash (used in)/generated from operations</b>	<b>20,786.13</b>	<b>(23,704.83)</b>
Direct taxes paid (net of refund)		
<b>Net cash flows (used in)/generated from operating activities (A)</b>	<b>20,786.13</b>	<b>(23,704.83)</b>
<b>B Cash flow from investing activities:</b>		
(Purchase) / sale of Property, plant and equipment and intangible assets	114.57	(114.99)
Proceeds / (investment) in mutual funds		-
Payment for Purchase of property, plant and equipment, Intangible assets and Intangibles under development		
Profit on sale of mutual funds		1.89
Interest received on FD	(97.09)	183.60
Cash advances and loans made to other parties		
Inflow from Sale of Investment		82.04
Payment of dividend		
<b>Net cash flows used in investing activities (B)</b>	<b>17.48</b>	<b>152.54</b>
<b>C Cash flow from financing activities:</b>		
Payment of principal portion of lease liabilities		
Finance costs paid	(7,095.28)	(3,901.02)
Increase in Share Capital	-	2,665.93
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(7,095.28)</b>	<b>(1,235.09)</b>
<b>D Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>13,708.33</b>	<b>(24,787.38)</b>
<b>E Cash &amp; cash equivalents as at the beginning of the period</b>	<b>3,786.25</b>	<b>29,408.06</b>
<b>Cash &amp; cash equivalents as at the end of the period (D+E)</b>	<b>17,494.58</b>	<b>4,620.68</b>
<b>Cash and cash equivalents comprises:</b>		
Cash & cash equivalents as at the ending of the period	17,494.73	4,620.68
<b>Total cash and cash equivalents</b>	<b>17,494.73</b>	<b>4,620.68</b>

Place : Delhi  
Date : 14-11-2024

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SHRUTI AGGARWAL  
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Shruti Aggarwal  
Director  
DIN: 06867269

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Tushar Aggarwal  
Managing Director & CEO  
DIN: 01587360

**Akara Capital Advisors Private Limited**  
**Balance Sheet as at Jun 30, 2024**  
(Amount in Rs. lakhs unless stated otherwise)

	Note	June 30, 2024	March 31, 2024
<b>ASSETS</b>			
<b>Financials assets</b>			
Cash and cash equivalents	6A	1,697.59	2,116.15
Bank Balance other than cash and cash equivalents	6B	2,554.89	1,670.11
Receivable	7		
(I) Trade receivable		-	-
(II) Other receivable		1,142.35	664.09
Loans	8	1,40,600.69	1,42,052.21
Investments	9	-	-
Other financials assets	10	1,928.72	2,957.89
		<b>1,47,924.24</b>	<b>1,49,460.44</b>
<b>Non-financials assets</b>			
Current tax assets (net)		-	-
Deferred tax assets (net)	13	2,688.86	2,609.29
Intangible assets	11	806.35	872.15
Intangible assets under Development	11	22.21	12.50
Fixed Assets	11	11.26	12.86
Other non-financial assets	12	310.88	79.20
		<b>3,839.56</b>	<b>3,586.00</b>
<b>Total assets</b>		<b>1,51,763.80</b>	<b>1,53,046.43</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financials liabilities</b>			
Derivative Financial Instruments	14	80.87	86.11
Trade Payables	15		
(i) total outstanding dues of micro enterprise and small enterprises		55.51	70.51
(ii) total outstanding dues of creditors other than micro enterprise and small enterprises		1,281.72	1,057.77
Debt securities	16	17,748.30	17,390.17
Borrowings (other than debt securities)	16	61,932.51	70,132.31
Other financials liabilities	17	1,328.37	1,446.57
		<b>82,427.28</b>	<b>90,183.44</b>
<b>Non-financial liabilities</b>			
Deferred tax Liabilities (net)	31	-	-
Current tax Liabilities (net)	18	4,203.80	3,033.32
Provisions	19	891.27	552.83
Other non-financial liabilities	20	-	-
		<b>5,095.07</b>	<b>3,586.15</b>
<b>Equity</b>			
Equity share capital	21	31,599.40	31,599.40
Instruments entirely equity in nature			
Other equity	22	32,642.05	27,677.45
<b>Total equity</b>		<b>64,241.45</b>	<b>59,276.85</b>
<b>Total liabilities and equity</b>		<b>1,51,763.80</b>	<b>1,53,046.43</b>

Significant accounting policies  
The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Serva and Associates**  
**Firm Registration No:**  
**Chartered Accountants**

**For and on behalf of the Board of Directors of**  
**Akara Capital Advisors Pvt Ltd**

**Name of Partner**  
**Partner**  
**Membership number:**

**TUSHAR AGGARWAL**  
**Managing Director**  
**DIN: 01587360**

**SHRUTI AGGARWAL**  
**Director**  
**DIN: 06867269**

Place: New Delhi

**Akara Capital Advisors Private Limited**  
**Statement of Profit and Loss for the Period ended Jun 30, 2024**  
(Amount in Rs. lakhs unless stated otherwise)

	Note	June 30, 2024	March 31, 2024
<b>Revenue from operations</b>			
Interest income	23	14,801.28	64,146.60
Fees Income	24	3,315.27	14,316.44
Net loss on fair value changes	27	4.53	-
<b>Total revenue from operations</b>		<b>18,121.08</b>	<b>78,463.04</b>
Other income	25	678.82	2,229.45
<b>Total income</b>		<b>18,799.90</b>	<b>80,692.48</b>
<b>Expenses</b>			
Finance costs	26	3,208.61	14,985.09
Net loss on fair value changes	27	-	86.11
Impairment on financial instruments	28	7,002.03	42,568.19
Employee benefits expenses	29	772.82	3,529.98
Depreciation, amortization and impairment	11	77.12	1,047.07
Other expenses	30	1,583.31	11,275.27
<b>Total expenses</b>		<b>12,643.90</b>	<b>73,491.71</b>
<b>Profit Before Tax</b>		<b>6,156.00</b>	<b>7,200.78</b>
<b>Tax expense:</b>			
Current tax		1,671.53	3,218.31
Pertaining to profit for the current period		-	-
Pertaining to profit for the current period		-	-
Deferred tax		(79.57)	(2,899.67)
<b>Total tax expense</b>		<b>1,591.95</b>	<b>318.65</b>
Profit for the period		<b>4,564.04</b>	<b>6,882.13</b>
<b>Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain of defined benefit plan		3.02	(15.68)
(ii) Income tax impact on above		(0.76)	3.95
<b>Other comprehensive income (net of tax) (A+B)</b>		<b>2.26</b>	<b>(11.74)</b>
Total comprehensive income for the year		<b>4,561.78</b>	<b>6,870.39</b>
<b>Earnings per equity share</b>	31		
<b>Basic (Rs.)</b>		1.44	2.40
<b>Diluted (Rs.)</b>		1.44	2.39
<b>Nominal value per share</b>		10.00	10.00

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Serva and Associates**

**Firm Registration No:**

**Chartered Accountants**

**Name of Partner**

**Partner**

**Membership number:**

**For and on behalf of the Board of Directors of**

**Akara Capital Advisors Pvt Ltd**

**TUSHAR AGGARWAL**

**Managing Director**

**DIN: 01587360**

**SHRUTI AGGARWAL**

**Director**

**DIN: 06867269**

Place: New Delhi

**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the Period ended Jun 30, 2024**  
(Amount in Rs. lakhs unless stated otherwise)

**Note 6: Cash and cash equivalents**

Particulars	June 30, 2024	March 31, 2024
<b>6A. Cash and cash equivalents</b>		
Cash in hand	0.30	0.30
Balance with banks		
In current accounts	1,631.79	1,774.74
Deposits with maturity of less than three months	65.49	341.11
	<b>1,697.59</b>	<b>2,116.15</b>

**6B. Bank balance other than above**

Particulars	June 30, 2024	March 31, 2024
Fixed Deposit with Bank	17.93	17.93
Balance with banks to the extent held as margin mangin or security deposit against the borrowings, guarantees, other commitments	2,536.96	1,652.18
<b>Total</b>	<b>2,554.89</b>	<b>1,670.11</b>

**Note 7: Receivable**

Particulars	June 30, 2024	March 31, 2024
(I) Trade receivable	-	-
(II) Other receivable	1,142.35	664.09
<b>Total</b>	<b>1,142.35</b>	<b>664.09</b>

**Note 8: Loans**

Particulars	June 30, 2024	March 31, 2024
<b>Loans in India</b>		
Public sector	-	-
Others	1,46,467.93	1,47,128.75
<b>Total Gross</b>	<b>1,46,467.93</b>	<b>1,47,128.75</b>
Less: Impairment loss allowance	10,290.19	9,749.78
Add: Accrued Interest	4,849.97	5,104.43
Less: Impairment loss allowance on Accrued Interest	427.02	431.19
Less: Unmortized Processing Fees	-	-
<b>Total Net</b>	<b>1,40,600.69</b>	<b>1,42,052.21</b>

**Note 9: Investments**

Particulars	June 30, 2024	March 31, 2024
Investment in Equity PTC	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Investments outside India	-	-
Investments in India	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 10: Other financial assets**

Particulars	June 30, 2024	March 31, 2024
Unsecured, considered good(Head) - PTC	35.26	45.34
Colletral to lenders	-	-
Advance to supplier	77.70	28.36
Other Financial Asset	1,815.76	2,884.18
TDS receivable	-	-
<b>Total</b>	<b>1,928.72</b>	<b>2,957.89</b>

**Note 12: Other non-financial assets**

Particulars	June 30, 2024	March 31, 2024
Prepaid expenses	310.88	79.20
<b>Total</b>	<b>310.88</b>	<b>79.20</b>

**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the Period ended Jun 30, 2024**  
(Amount in Rs. lakhs unless stated otherwise)

**Note 13: Deffered tax assets (net)**

Particulars	June 30, 2024	March 31, 2024
Deffered Tax Assets	2,688.86	2,609.29
<b>Total</b>	<b>2,688.86</b>	<b>2,609.29</b>

**Note 14: Derivative Financial Instruments**

Particulars	June 30, 2024	March 31, 2024
Hedge Marked to market Loss	80.87	86.11
<b>Total</b>	<b>80.87</b>	<b>86.11</b>

**Note 15: Trade Payables**

Particulars	June 30, 2024	March 31, 2024
<b>Trade Payables</b>		
Total outstanding dues of Micro Enterprises and Small Enterprises	55.51	70.51
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,281.72	1,057.77
<b>Total</b>	<b>1,337.23</b>	<b>1,128.28</b>

**Note 16: Borrowings**

**Debts Securites**

Particulars	June 30, 2024	March 31, 2024
Borrowings	17,838.13	17,469.92
Borrowings Revaluation Reserve	-	-
<b>Total Gross</b>	<b>17,838.13</b>	<b>17,469.92</b>
Add: Interest Payable	26.40	36.49
Less: Unamortised Borrowing Cost	116.23	116.23
<b>Total</b>	<b>17,748.30</b>	<b>17,390.17</b>

**Other than Debts Securites**

Particulars	June 30, 2024	March 31, 2024
Borrowings	61,148.50	69,245.26
Borrowings Revaluation Reserve	862.00	787.52
Lease Liability	12.22	13.73
<b>Total Gross</b>	<b>62,022.72</b>	<b>70,046.51</b>
Add: Interest Payable	438.66	367.71
Less: Unamortised Borrowing Cost	528.87	281.90
	<b>61,932.51</b>	<b>70,132.31</b>

**Note 17: Other financial liabilities**

Particulars	June 30, 2024	March 31, 2024
Expense payable	20.68	38.80
CSR Reserve Fund	41.29	-
Amount to be disbursed-pending disbursal	144.66	154.09
Security deposit from Partner	109.35	109.35
Collection from customers	211.91	166.37
TDS payable	202.65	307.98
GST payable	145.93	362.76
Salary payable	126.33	103.52
Due to Colenders	318.45	197.46
PF payable	7.10	6.24
Payable under PTC	-	-
ESI payable	-	-
<b>Total</b>	<b>1,328.37</b>	<b>1,446.57</b>

**Note 18: Current tax Liabilities (net)**

**Akara Capital Advisors Private Limited****Notes to the Financial Statements for the Period ended Jun 30, 2024**

(Amount in Rs. lakhs unless stated otherwise)

Particulars	June 30, 2024	March 31, 2024
Provision for Income Tax	4,203.80	3,033.32
<b>Total</b>	<b>4,203.80</b>	<b>3,033.32</b>

**Note 19: Provisions**

Particulars	June 30, 2024	March 31, 2024
Provision for employee benefits		
-Leave encashment	29.14	22.20
-Gratuity	48.34	44.99
Provision for Other Expenses	813.78	485.64
<b>Total</b>	<b>891.27</b>	<b>552.83</b>

**Note 20: Other non-financial liabilities**

Particulars	June 30, 2024	March 31, 2024
Unaccrued Income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 21: Equity Share Capital**

Particulars	June 30, 2024	March 31, 2022
<b>Authorized shares</b>		
40,00,00,000 (March 31, 2024: 40,00,00,000) equity shares of ₹ 10/- each	40,000.00	40,000.00
<b>Total authorized shares capital</b>	<b>40,000.00</b>	<b>40,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
315993998 (March 31, 2024: 315993998) equity shares of ₹ 10/- each	31,599.40	31,599.40
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>31,599.40</b>	<b>31,599.40</b>

**Note 22: Other equity**

Particulars	June 30, 2024	March 31, 2024
<b>Share premium</b>		
Opening Balance	15,095.27	10,551.80
Add: Premium on issue of share capital	-	4,543.47
Less: Share issue expenses	-	-
<b>Total (A)</b>	<b>15,095.27</b>	<b>15,095.27</b>
<b>Statutory reserve under Section 45IA</b>		
Opening Balance	2231.77	855.34
Add: Transfer to statutory reserve	912.81	1,376.43
<b>Total (B)</b>	<b>3,144.58</b>	<b>2,231.77</b>
<b>Retained earnings (accumulated losses)</b>		
Opening Balance	4,315.92	(1,189.79)
Add: Profit for the year	4561.78	6,882.13
Less: Transfer to statutory reserve	(912.81)	(1,376.43)
<b>Total (C)</b>	<b>7,964.89</b>	<b>4,315.92</b>
<b>Other comprehensive income</b>		
Opening Balance	(1.51)	10.23
Add: Addition during the year	2.26	(11.74)
<b>Other Equity from Parent (D)</b>	<b>0.75</b>	<b>(1.51)</b>
Opening Balance	6,036.00	3,856.32
Add: Addition during the year	400.57	2,179.69
<b>Other Equity from Parent (E)</b>	<b>6,436.57</b>	<b>6,036.00</b>
<b>Grand Total (A+B+C+D)</b>	<b>32,642.05</b>	<b>27,677.45</b>

**Note 23: Interest Income**

Particulars	June 30, 2024	March 31, 2024
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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the Period ended Jun 30, 2024**  
(Amount in Rs. lakhs unless stated otherwise)

**On financial assets measured at amortised cost**

Interest on term loans	14,765.77	63,924.82
Interest Income on deposits with banks	35.52	221.78
<b>Total</b>	<b>14,801.28</b>	<b>64,146.60</b>

**Note 24: Fee and commission Income**

Particulars	June 30, 2024	March 31, 2024
Fees Income	3,315.27	14,316.44
<b>Total</b>	<b>3,315.27</b>	<b>14,316.44</b>

**Note 25: Other Income**

Particulars	June 30, 2024	March 31, 2024
Bad Debts recovery	673.60	2,187.48
Other income	5.22	41.97
<b>Total</b>	<b>678.82</b>	<b>2,229.45</b>

**Note 26: Finance Cost**

Particulars	June 30, 2024	March 31, 2024
<b>On financial liabilities measured at Amortised Cost:</b>		
Interest on borrowings	2,666.52	12,392.73
Forex loss	74.48	789.34
Other borrowing Cost	467.62	1,803.01
<b>Total</b>	<b>3,208.61</b>	<b>14,985.09</b>

**Note 27: Net loss/Gain on fair value changes**

Particulars	June 30, 2024	March 31, 2024
<b>Loss on Fair Value Changes</b>	-	86.11
<b>Total</b>	<b>-</b>	<b>86.11</b>

**Note 27: Net loss/Gain on fair value changes**

Particulars	June 30, 2024	March 31, 2024
<b>Gain on Fair Value Changes</b>	4.53	-
<b>Total</b>	<b>4.53</b>	<b>-</b>

**Note 28: Impairment on financial instruments**

Particulars	June 30, 2024	March 31, 2024
<b>On financial assets measured at amortised cost:</b>		
Loan assets and EIS receivable	536.24	5,435.54
Bad Debts	6,465.80	37,132.65
<b>Total</b>	<b>7,002.03</b>	<b>42,568.19</b>

**Note 29: Employee benefits expenses**

Particulars	June 30, 2024	March 31, 2024
Salaries and wages	361.99	1,307.47

**Akara Capital Advisors Private Limited****Notes to the Financial Statements for the Period ended Jun 30, 2024**

(Amount in Rs. lakhs unless stated otherwise)

Contribution to provident and other funds	10.27	42.83
Share Based Payments	400.57	2,179.69
Staff welfare expenses	-	-
<b>Total</b>	<b>772.82</b>	<b>3,529.98</b>

**Note 30: Other expenses**

<b>Particulars</b>	<b>June 30, 2024</b>	<b>March 31, 2024</b>
Audit fees	7.50	14.50
Bank charges	23.48	122.23
Lead Generation Cost	381.85	6,401.30
Filling Fees	11.19	112.72
Legal and Professional Fees	36.91	169.79
Rent	3.75	14.33
Bank statement analysis expenses	4.79	33.27
Commission	15.00	307.40
Directors sitting fees	11.25	38.63
Interest & penalty on statutory payments	-	11.55
Travelling Expenses	6.65	26.09
Annual & subscription fees	1.00	4.22
GST Input Expensed Off	276.31	998.29
Technologies expense	0.02	0.31
Office expense	12.68	49.91
Miscellaneous Expenses	0.16	2.15
Data Access Charges	224.88	939.96
Collection and recovery expense	524.60	1,963.65
CSR Expense	41.29	63.47
Insurance expenses	-	1.52
<b>Total</b>	<b>1,583.31</b>	<b>11275.27</b>

**Note 31: Earning per share**

Basic earning per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of share outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

<b>Particulars</b>	<b>June 30, 2024</b>	<b>March 31, 2024</b>
Following reflects the net profit and weighted average equity shares data used in EPS computation:		
<b>Basic</b>		
Weighted average number of equity shares of computation of Basic EPS (in Nos.)	31,59,93,998	28,68,02,513
Net profit for calculation of basic EPS	4,564.04	6,882.13
<b>Basic earning per share (in Rs.)</b>	<b>1.44</b>	<b>2.40</b>
<b>Diluted</b>		
Weighted average number of equity shares of computation of Diluted EPS (in Nos.)	31,59,93,998	28,68,02,513
Net profit for calculation of diluted EPS	4,564.04	6,882.13
<b>Diluted earning per share (in Rs.)</b>	<b>1.44</b>	<b>2.39</b>
<b>Nominal/Face value of equity share (in Rs.)</b>	<b>10</b>	<b>10</b>



**Akara Capital Advisors Private Limited**  
**Fixed Assets**  
(Amount in Rs. lakhs unless stated otherwise)

**Note 11: Intangibles**

Particulars	Software	Software CWIP	ROU Assest	Total
<b>Cost:</b>				
<b>At April 1, 2024</b>	872.15	12.50	12.86	897.51
Additions	9.71	9.71	-	19.43
Write offs	-	-	-	-
<b>At Jun 30, 2024</b>	<b>881.86</b>	<b>22.21</b>	<b>12.86</b>	<b>916.94</b>
Additions	-	-	-	-
<b>At Jun 30, 2024</b>	<b>881.86</b>	<b>22.21</b>	<b>12.86</b>	<b>916.94</b>
<b>Accumulative amortisation:</b>				
<b>At April 1, 2024</b>	-	-	-	-
Charge for the year	75.51	-	1.61	77.12
Reversal for the year	-	-	-	-
<b>At Jun 30, 2024</b>	<b>75.51</b>	<b>-</b>	<b>1.61</b>	<b>77.12</b>
Charge for the year	75.51	-	-	-
<b>At Jun 30, 2024</b>	<b>75.51</b>	<b>-</b>	<b>1.61</b>	<b>77.12</b>
<b>Net book value</b>				
<b>At April 1, 2024</b>	<b>872.15</b>	<b>12.50</b>	<b>12.86</b>	<b>897.51</b>
<b>At Jun 30, 2024</b>	<b>806.35</b>	<b>22.21</b>	<b>11.26</b>	<b>839.82</b>
<b>At Jun 30, 2024</b>	<b>806.35</b>	<b>22.21</b>	<b>11.26</b>	<b>839.82</b>

**Note 11: Intangible assets under Development**

Intangible assets under Development as at March 31, 2024 is Rs. 12.50 Lakhs (Jun 30, 2024- Rs. 22.21)

**SHRUTI**  
**AGGARWAL**

Digitally signed by  
SHRUTI AGGARWAL  
Date: 2024.09.10  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **M/s Akara Capital Advisors Private Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **"M/s Akara Capital Advisors Private Limited"** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and Changes in Equity for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report and describe the process how our audit addressed the matter.

We have fulfilled the responsibility described in the Auditors' responsibility for the audit of the Ind AS Financial Statements section of our report including in relation of this matter. Accordingly, our audit included the performance of procedures, design to respond to our assessment of the risk of material misstatement of the Ind AS Financial Statements. The result of our audit procedure including the procedures performed the matter to addressed below, provide the bases of our audit opinion on the accompanying financial statement.



Key Audit Matter	How the matter was addressed in our audit
<p><b>1. Impairment of financial assets (Expected Credit Losses)</b></p> <p>(Refer Note no. 55.1 (A) to the Financial Statements read with accounting policy No.4(xii) – ‘Financial Instruments’ and 4 (xiii)– ‘Impairment of Financial Assets’)</p> <p>Financing is principal business of the Company and disclosure of Loan assets at fair value considering the provision for loss due to impairment is most significant.</p> <p>The Company has recorded an impairment loss allowance of Rs. 5,435.54 Lakhs as at 31 March 2024 in its statement of profit and loss.</p> <p>Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) model. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company’s estimation of ECLs are:</p> <p><b>Data inputs</b> - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</p> <p><b>Model estimations</b> – Inherently judgmental models are used to estimate ECL which involves determining Exposures at Default (“EAD”), Probabilities of Default (“PD”) and Loss Given Default (“LGD”). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered one of the most significant judgmental aspects of the Company’s modelling approach.</p> <p>The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the</p>	<p>We have obtained an understanding of the guidelines as specified in Ind AS 109 “Financial Instruments”, various regulatory updates, guidance of ICAI and internal instructions and procedures of the Company in respect of the ECL and adopted the following audit procedures:</p> <p>Our key audit procedures included:</p> <ul style="list-style-type: none"> <li>Performed walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance processes. We tested the relevant manual (Including spreadsheet controls), general IT and application controls over key systems used in the impairment loss allowance process on sample basis.</li> <li>Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring, assessment of the loan impairment including testing of relevant data quality, and review of the real data entered.</li> <li>Tested the arithmetic accuracy of computation of ECL provisions performed by the company in spreadsheets.</li> <li>Recoveries in the loan assets are verified to ascertain level of stress thereon and impact on impairment allowance in financial statements.</li> <li>Assessed the disclosures made in relation to the ECL allowance to confirm compliance with the Ind AS provisions.</li> </ul> <p>The company avails services of third party for evaluation of ECL Components and such party was changed during the year. The calculations in the study for impairment allowance carried</p>



<p>balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter.</p>	<p>out by third party are relied upon by us and test checks are carried out for the same. The data shared with the third party is verified by us for correctness of material components being submitted. Our audit procedure in the same are limited in view of not sharing certain parameters and software used for study of such data being considered confidential by such third party.</p> <p>We also compared ECL with the provisioning as required by the applicable directions of the Reserve Bank of India and ensured adequacy of impairment allowance accordingly.</p>
<p><b>2. Fair valuation of Derivative Financial Instruments</b></p> <p>(Refer Note No. 40 to the Financial Statement read with accounting policy No. 4(xii)- 'Financial Instruments'.)</p> <p>To mitigate the Company's exposure to foreign currency risk and interest rate, non-Rupee cash flows are monitored and derivative contracts are entered for hedging purpose. The derivatives are measured at fair value as per Ind AS 109.</p> <p>Gain/Loss on the derivative is recognised in other comprehensive income or profit and loss as provided by Ind AS. The magnitude of such transactions is significant as per the operations of the company. In view of facts of the matter we have identified it as a key audit matter.</p>	<p>Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for derivatives include the following:</p> <p>Discussing and understanding management's perception and studying policy of the company for risk management.</p> <p>Verification of fair value of derivative in terms of Ind AS 109, testing the accuracy and completeness of derivative transactions.</p> <p>Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments.</p> <p>Obtained details of the financial derivative contract as outstanding/pending for settlement as on 31 March, 2024.</p> <p>Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts.</p> <p>Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 109.</p>



### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

The management is also responsible for effective implementation of the requirements prescribed by Rule 3(1) of the Companies (Accounts) Rules, 2014 i.e., every company which uses an accounting software for maintaining its books of account, should use only such accounting software which has the following features:

- Records an audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made; and
- Ensuring that audit trail is not disabled.
- Accounting software may be hosted and maintained in India or outside India whose backup should be accessible in India at all the times and such backup of accounts should be maintained on servers physically located in India.



## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess and comment on company's compliance with implementation Audit trail under Rule 3(1) of the Companies (Accounts) Rules, 2014.
- Evaluate that the company maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the times. Also, the Company create backup of accounts on servers physically located in India on a daily basis. This is as per the amended Rule 3 of the Companies (Accounts) Rules, 2014.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



### Report on other Legal & Regulatory Requirements

1. Based on our audit, we report that the provisions of section 197 read with Schedule V of the Act are not applicable to the company since the company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.
3. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion the books of accounts as required by law have been kept by the company so far it appears from our examination of those books.;
  - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (Including Other Comprehensive Income), the statement of changes in equity and the standalone statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;
  - e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
  - g. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company as detailed in Note No 51 to the Standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at 31<sup>st</sup> March 2024.
    - (ii) The company had not entered into any long term contracts except one hedging contract as on 31st March 2024. The company has also accounted for such loss on derivative financial instruments in the books as on 31st March 2024.
    - (iii) There were no amounts which are required to be transferred to Investor Education and & Protection Fund by the company during the year ended 31st March 2024.
    - (iv)
      - (a) The management has represented that, to the best of its knowledge and belief, other than as







disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- (v) The Company has not declared or paid any dividend during the year ended 31st March 2024.
- (vi) Based on our examination which included test checks, except for instances/matters mentioned below, the Company, in respect of financial year commencing on 01 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Nature of exception noted	Details of exception
Instances of accounting software for maintaining books of account which did not have a feature of recording audit trail (edit log) facility.	The accounting software used for maintenance of accounting records of the Company inadvertently did not have a feature of recording audit trail (edit log) facility enabled at the database level for accounting software Tally to log any direct data changes.

**For Serva Associates**

**Chartered Accountants**

**Firm Registration Number: 000272N**

**Surendar K. Jain**

**(Partner)**

**Membership Number: 016520**

**Date: 29<sup>th</sup> May 2024**

**UDIN: 24016520BKEFEP9429**

**Place: New Delhi**





**Annexure A to the Independent Auditor's Report of even date to the members of Akara Capital Advisors Private Limited on the standalone financial statements for the year ended 31 March 2024**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:-

(i)

(a)

- A. The company does not possess any property, plant or equipment except right-of-use (ROU) assets as on 31<sup>st</sup> March 2024. The Company has maintained proper records showing full particulars and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets including intangible assets under development.

(b) The Company has a regular program of verification of relevant details of right-of-use (ROU) assets. In accordance with these relevant details of right-of-use (ROU) assets were verified during the year and no material discrepancies were noticed on such verification.

(c) Since the company is not in the possession of any immovable property, hence the provision of para (i) (c) are not applicable

(d) The Company has not revalued any of its Intangibles or right-of-use (ROU) assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) As the Company does not possess any Inventory therefore Para (ii)(a) is not applicable.

(b) That the company has sanctioned a working capital limit (WCDL) of INR 2,500.00 lakhs from financial institution on the basis of security of current assets i.e., book debts of the company and corporate guarantee by the holding company on 10<sup>th</sup> July 2023. Apart from the above there was a WCDL which was there since 01-04-2023 of INR 2,500.00 lakhs. Quarterly Returns/Statements, in respect of book debts have been filed by the company with the financial institution.

(iii)

(a) Since, the principal business of the Company is to give loans and hence, clause (iii)(a)(A) and (iii)(a)(B) are not applicable.

(b) Since the company has not made any investments, provided any guarantees, security, loans or advances to companies, firms, Limited Liability Partnerships or any other parties hence clause (iii)(b) is not applicable.



- (c) Since the company has not made any investments, provided any guarantees, security, loans or advances to companies, firms, Limited Liability Partnerships or any other parties hence clause (iii)(c) is not applicable.
- (d) Since the company has not made any investments, provided any guarantees, security, loans or advances to companies, firms, Limited Liability Partnerships or any other parties hence clause (iii)(d) is not applicable.
- (e) Since, the principal business of the Company is to give loans and hence, clause (iii)(e) is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment, hence clause (iii)(f) is not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments made and guarantee provided as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of security provided by it.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, in our opinion the maintenance of cost records has not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii)
- a. In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- The company has paid an amount of Rs 3.33 lakhs on account of TDS and 0.03 lakhs on account of interest which was overlooked during filing of Income Tax Return for AY 2023-24. The same was not payable on account of any dispute.
- (viii) According to the information and explanations given to us. there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



(ix)

- (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of its loans or other borrowings or in the payment of interest thereon to any lender.
- (b) That no instance or information has come on our records in context to the Company been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have prima facie been used for long-term purposes by the company.
- (e) According to the information and explanation given to us, and on overall examination of the standalone financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligation of its Associate or Subsidiary or Joint Venture.
- (f) According to the information and explanation given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiary.

(x)

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares/Fully or partially or optionally convertible Debentures during the year under audit and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi)

- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation, made to us by the management of the Company no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us including the representation made to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Hence reporting under clause (xii) of the Order is not applicable to the Company.





- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable Indian accounting standards.(Ind As 24), Related party disclosures specified in companies (Indian accounting standards) Rules 2015 as prescribed in section 133 of the act. Further, according to the information and explanations given to us, the company has constituted an audit committee under section 177 of the Act.
- (xiv)
- (a) In our opinion and based on our examination, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them and accordingly reporting under clause (xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi)
- (a) The company is required to hold Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934, and they hold a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934 vide certificate no. RBI Reg No. NBFC LC N- 14.03354 / 16/01/2017.
- (b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the reserve Bank of India Act, 1934 and hence the company has conducted all Activities with a valid Certificate.
- (c) According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi) (c) is not applicable.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The company has not incurred cash losses in the current financial year as well as immediately preceding financial year
- (xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.



- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone financial statements of the company. Accordingly, no comment has been included in respect of said clause under the report.

**For Serva Associates**

**Chartered Accountants**

**Firm Registration Number: 000272N**

**Surendar K. Jain**

**(Partner)**

**Membership Number: 016520**

**Date: 29<sup>th</sup> May 2024**

**UDIN: 24016520BKFEFP9429**

**Place: New Delhi**



**Annexure B to the Independent Auditor's Report of even date to the members of Akara Capital Advisors Private Limited on the standalone financial statements for the year ended 31 March 2024.**

**Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Serva Associates**

**Chartered Accountants**

**Firm Registration Number: 000272N**

**Surendar K. Jain**

**(Partner)**

**Membership Number: 016520**

**Date: 29<sup>th</sup> May 2024**

**UDIN: 24016520BKFEFP9429**

**Place: New Delhi**



**Akara Capital Advisors Private Limited**  
**Balance Sheet as at March 31, 2024**  
 (All amount in Rs. in lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	2	2,316.35	17,787.33	5,494.15
Bank balances other than cash and cash equivalents	3	1,670.12	20,974.70	235.01
Receivable	4	-	-	-
Trade Receivable	-	-	3,398.07	1,324.51
Other Receivables	-	104.09	1,167.62	1,330.62
Loans	5	1,47,072.22	1,06,942.58	51,518.27
Investments	6	-	87.04	-
Other Financial assets	7	2,957.89	1,467.72	1,677.85
<b>Total Financial Assets</b>		<b>1,49,486.43</b>	<b>1,41,865.84</b>	<b>62,487.01</b>
<b>Non-Financial assets</b>				
Deferred tax assets (net)	8	2,469.29	-	41.52
Property, Plant and Equipments	9(a)	-	-	0.13
Right of Use Assets	9(b)	52.89	-	-
Intangible assets under development	9(c)	12.50	49.87	34.59
Intangible assets	9(d)	872.15	1,503.49	583.58
Other non-financial assets	10	79.20	132.17	152.66
<b>Total Non-Financial Assets</b>		<b>3,586.00</b>	<b>1,685.53</b>	<b>809.86</b>
<b>TOTAL ASSETS</b>		<b>1,53,072.43</b>	<b>1,43,551.37</b>	<b>63,296.87</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Financial liabilities</b>				
Derivative financial instruments	11	66.11	-	-
Trade Payables	12	-	-	-
(i) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises		70.51	39.69	71.50
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,057.77	473.98	177.08
(i) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
Debt Securities	13	17,390.57	32,482.33	5,000.00
Borrowings (other than Debt Securities)	14	70,132.31	66,236.50	27,741.93
Other financial liabilities	15	1,445.57	1,205.84	821.07
		<b>90,183.44</b>	<b>1,00,468.12</b>	<b>34,866.41</b>
<b>Non-Financial liabilities</b>				
Current tax liabilities (net)	16	3093.32	1062.39	171.48
Provisions	17	352.83	360.85	122.38
Deferred tax liabilities (net)	18	-	390.37	-
Other Non-Financial liabilities		-	-	-
		<b>3,586.15</b>	<b>1,713.41</b>	<b>293.86</b>
<b>Equity</b>				
Equity share capital	19	11,599.40	27,055.88	21,119.03
Other equity	19	27,677.44	14,083.90	8,976.22
<b>TOTAL EQUITY</b>		<b>39,276.84</b>	<b>41,139.78</b>	<b>30,095.25</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>1,53,072.43</b>	<b>1,43,551.37</b>	<b>63,296.87</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Serva Associates  
 Chartered Accountants  
 CA Firm Registration No: 088272H

CA Sundar Kumar Jain  
 Partner  
 Membership No. 616520  
 Place: New Delhi  
 Date: 25-05-2024



For and on behalf of the Board of Directors of  
 Akara Capital Advisors Private Limited

Shruti Aggarwal  
 (Managing Director)  
 DIN: 01587348  
 Place: New Delhi  
 Date: 25-05-2024

Shruti Aggarwal  
 (Director)  
 DIN: 06867269  
 Place: New Delhi  
 Date: 25-05-2024

Ashish Singh  
 (Company Secretary)  
 Membership No: A27334  
 Place: New Delhi  
 Date: 25-05-2024

Pankaj Kumar  
 (Chief Financial Officer)  
 Place: New Delhi  
 Date: 25-05-2024





**Akara Capital Advisors Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

Particulars	Notes	For the year March 31, 2024	For the year March 31, 2023
<b>Revenue from operations</b>			
Interest Income	20	84,146.60	52,911.91
Fees and commission Income	21	14,816.44	2,641.61
<b>Total revenue from operations</b>		<b>98,963.04</b>	<b>55,553.52</b>
Other income	22	223.45	125.77
<b>Total Income</b>		<b>100,693.48</b>	<b>55,679.29</b>
<b>Expenses</b>			
Finance Costs	23	14,985.09	7,623.09
Net loss on fair value changes	24	86.11	-
Impairment on financial instruments	25	42,568.19	4,718.26
Employee Benefits Expense	26	3,579.98	2,487.10
Depreciation, amortization and impairment	27	1,047.07	223.34
Other expenses	28	11,254.10	4,405.41
<b>Total Expenses</b>		<b>72,960.54</b>	<b>18,817.60</b>
<b>Profit before tax</b>		<b>27,732.94</b>	<b>36,861.69</b>
<b>Tax Expense</b>			
(1) Current Tax	29		
a) Pertaining to profit for the current period		1,278.31	1,162.39
b) Adjustment of tax relating to earlier periods		11.17	-
(2) Deferred Tax		(2,892.56)	331.90
<b>Total of Tax Expense</b>		<b>(1,603.08)</b>	<b>1,494.29</b>
<b>Profit for the year</b>		<b>26,129.86</b>	<b>35,367.40</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit obligations		(15.68)	1.07
Income Tax Effect		1.95	(1.06)
<b>Other Comprehensive Income, net of income tax</b>		<b>(13.73)</b>	<b>0.01</b>
<b>Total Comprehensive Income for the year</b>		<b>26,116.13</b>	<b>35,367.41</b>
<b>Earnings per equity share</b>	30		
Basic (Rs.)		2.40	0.53
Diluted (Rs.)		2.40	0.33
Nominal value per share (Rs.)		10.00	10.00
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Serve Associates  
Chartered Accountants  
ICAI Firm Registration No: 000272N

CA Surender Kumar Jain  
Partner  
Membership No. 035520  
Place: New Delhi  
Date: 29-05-2024



For and on behalf of the Board of Directors of  
Akara Capital Advisors Private Limited

Tushar Aggarwal  
(Managing Director)  
DIN: 01587360  
Place: New Delhi  
Date: 29-05-2024

Ashish Singh  
(Company Secretary)  
Membership No: A27334  
Place: New Delhi  
Date: 29-05-2024

Shruti Aggarwal  
(Director)  
DIN: 06667268  
Place: New Delhi  
Date: 29-05-2024

Pankaj Kumar  
(Chief Financial Officer)  
Place: New Delhi  
Date: 29-05-2024



**Akare Capital Advisors Private Limited**  
**Statement of Cash flow for the year ended March 31, 2024**  
**(All amount in Rs. in lakhs, unless stated otherwise)**

Particulars	As at	
	March 31, 2024 (Audited)	March 31, 2023 (Audited)
<b>A. Cash flow from operating activities</b>		
Profit before Income Tax	7,231.95	1,174.79
Profit before Income Tax	7,231.95	1,174.79
Adjustment for:		
Depreciation and amortisation expense	1,047.07	223.34
Interest Received on FDR's	(221.78)	(241.27)
(Profit)/Loss on sale of Investments	(1.88)	(40.97)
Fair value (Gain)/ Loss on Financial Instruments	88.11	-
Impairment Allowance on Loans	47,588.30	4,718.56
Share Based Payments/Employee Stock Option	1,179.09	6,806.90
Finance Cost	14,185.09	7,623.09
Operating (Loss)/Profit before working capital changes	87,854.42	16,275.04
Working capital adjustments:		
Decrease / Increase in Trade Receivables	1,294.07	(960.76)
Decrease / Increase in Loans	(35,309.80)	(60,506.32)
Decrease / Increase in Other Financial Assets	(986.63)	7,595.71
Decrease / Increase in Other Non Financial Assets	52.97	(500.87)
Increase / (decrease) in Trade Payables	614.65	276.07
Increase / (decrease) in Other Financial liabilities	166.84	(252.23)
Increase / (decrease) in Other Non Financial liabilities	1,070.03	(995.24)
Increase / (decrease) in Prepaid	162.18	236.51
Cash (used in)/generated from Operations	34,149.75	(34,738.10)
Direct taxes paid/(refund)	(1,779.48)	(1,062.38)
<b>Net cash flows (used in)/generated from Operating activities (A)</b>	<b>34,820.26</b>	<b>(35,801.45)</b>
<b>B. Cash flow from investing activities:</b>		
Purchase / sale of Property, plant and equipment and intangible assets	575.85	(820.10)
Proceeds / (disbursement) Investment	83.93	31.13
<b>Net cash flows (used in) Investing activities (B)</b>	<b>719.78</b>	<b>(697.97)</b>
<b>C. Cash flow from Financing activities:</b>		
Receipt / (disbursement) of borrowings	(50,534.96)	64,975.66
Finance costs paid	(14,540.60)	(7,164.82)
Interest and dividend income of loans/holdings	(13.73)	-
Proceeds from issue of Share Capital	4,543.47	5,935.98
<b>Net cash flow from/(used in) Financing activities (C)</b>	<b>(60,585.62)</b>	<b>63,786.82</b>
<b>D. Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(24,925.59)</b>	<b>23,057.87</b>
<b>E. Cash &amp; cash equivalents is at the beginning of the period</b>	<b>28,711.84</b>	<b>5,057.07</b>
<b>Cash &amp; cash equivalents as at the end of the period (D+E)</b>	<b>3,786.25</b>	<b>28,711.84</b>
Cash and cash equivalents comprises:		
Cash & cash equivalents as at the end of the period	3,786.25	28,711.84
<b>Total cash and cash equivalents</b>	<b>3,786.25</b>	<b>28,711.84</b>

The accompanying notes are integral part of Financial statements.

- Notes:-
1. Cash flow statement has been prepared under indirect method as set out in the IND AS 7 "Cash Flow Statement".
  2. Previous year figures have been regrouped/ reclassified wherever applicable.

As per our report of even date

For Serna Associates,  
Chartered Accountants  
ICAI Firm Registration No: 060272N

CA Suresh Kumar Jain  
Partner  
Membership No. 516528  
Place: New Delhi  
Date: 29-05-2024



For and on behalf of the Board of Directors of  
Akare Capital Advisors Private Limited

Tushar Agarwal  
(Managing Director)  
DIN: 01587360  
Place: New Delhi  
Date: 29-05-2024

Ashish Singh  
(Company Secretary)  
Membership No: A27334  
Place: New Delhi  
Date: 29-05-2024

Shruti Agarwal  
(Director)  
DIN: 06667365  
Place: New Delhi  
Date: 29-05-2024

Parag Kumar  
(Chief Financial Officer)  
Place: New Delhi  
Date: 29-05-2024



**Akara Capital Advisors Private Limited**  
**Statement of Changes in Equity for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**A. Equity share capital**  
**Particulars**

	Number	Amount
Balance as at 1 April 2023	27,05,99,992	27,053.03
Change in equity share capital during the year	4,51,34,667	4,543.47
Balance as at March 31, 2024	31,55,84,998	31,599.40

**B. Other equity**

	Reserve and Surplus				Other Comprehensive Income	Total
	Securities premium	Statutory Reserve	Share based payment reserve	Retained earnings	Reassessment of Post-Employment Obligation	
Balance as at 1 April 2022	6,034.67	196.72	-	738.76	7.38	6,978.32
Restatement due to retrospective change in accounting policy	-	-	2,049.42	(2,049.52)	-	-
Restated Balance as at 1 April 2022	6,034.67	196.72	2,049.42	(1,310.80)	7.38	6,978.33
Profit for the year	-	-	-	780.51	-	780.51
Other comprehensive income for the year	-	-	-	-	3.04	3.04
Total comprehensive income for the year	-	-	-	780.51	3.04	783.55
Premium on issue of preference shares (CCPS)	-	-	-	-	-	-
Additions to securities Premium Account	4,517.13	-	-	-	-	4,517.13
Share based payments	-	-	1,806.9	-	-	1,806.90
Transfer to statutory reserve*	-	620.62	-	(620.62)	-	-
Balance as at March 31, 2023	10,551.80	817.34	3,856.32	(1,189.77)	10.22	14,085.89
Balance as at 1 April 2023	10,551.80	817.34	3,856.32	(1,189.77)	10.22	14,085.89
Profit for the year	-	-	-	6,862.12	-	6,862.12
Other comprehensive income for the year	-	-	-	-	(11.74)	(11.74)
Premium on issue of preference shares (CCPS)	-	-	-	-	-	-
Additions to securities Premium Account	4,543.47	-	-	-	-	4,543.47
Share based payments	-	-	2,175.69	-	-	2,175.69
Transfer to statutory reserve*	-	1,375.52	-	(1,375.52)	-	-
Balance as at March 31, 2024	15,095.27	2,236.77	6,036.00	-4,355.82	(1.52)	21,877.44

As per our report of even date

For Serva Associates  
 Chartered Accountants  
 ICAI Firm Registration No. 00012729  
  
 CA Shrinder Kishor Jain  
 Partner  
 Membership No. 036530  
 Place: New Delhi  
 Date: 29-05-2024



For and on behalf of the Board of Directors of  
 Akara Capital Advisors Private Limited

  
 Tushar Aggarwal  
 (Managing Director)  
 DIN: 01587368  
 Place: New Delhi  
 Date: 29-05-2024  
  
 Adish Singh  
 (Company Secretary)  
 Membership No. A27334  
 Place: New Delhi  
 Date: 29-05-2024

  
 Shrut Aggarwal  
 (Director)  
 DIN: 00667268  
 Place: New Delhi  
 Date: 29-05-2024  
  
 Pardeep Kumar  
 (Chief Financial Officer)  
 Place: New Delhi  
 Date: 29-05-2024





**Akara Capital Advisors Private Limited**  
**Significant Accounting Policies**  
**(All amounts in RS. in Lakhs, unless stated otherwise)**

**1) Corporate Information**

Akara Capital Advisors Private Limited (the "Company") is a company domiciled in India, with its registered office situated at 60, Third Floor, Arjun Nagar Kirti Mohanpur, Delhi-110008. The company is registered as a Non-Deposit taking Non-Banking Financial Company under section 454A of the Reserve Bank of India (RBI) Act 1934.

The Authorized Share Capital of the company is Rs. 40,000.00 divided into 40,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per share at all times.

The Subscribed Share Capital of the company is Rs. 31,549,398 lakhs divided into 31,54,93,988 ordinary equity shares of Rs. 10/- carrying one voting right per share at all times.

The company is a wholly owned subsidiary of Morus Technologies Pvt Ltd having a shareholding of Rs. 31,54,93,988 in the entire share capital of Akara Capital Advisors Private Limited.

**2) Basis of Preparation**

**(i) Statement of Compliance with Ind AS**

The financial statements of the Company have been prepared in accordance with the rules 133 of the Companies Act 2013 and in compliance with the Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 and as further amended.

The financial statements are prepared on a going concern basis and on accrual basis of accounting.

The Company has adopted historical cost convention except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy which is in use.

In accordance with compliance with Ind AS 1, as the company has retrospectively amended the accounting policy with recognition of share based payments, the financial position has been retrospectively restated. Hence, Balance Sheet as on April 01, 2022 has also been presented.

**(ii) Use of estimates**

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future result could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future period.

**(iii) Presentation of Financial Statements**

The Company presents its balance sheet in order of liquidity in compliance with the Division II of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in "Note 5(a)-Maturity Analysis of assets and liabilities".

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the receivable amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The assets of default.
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

**(iv) Functional and presentation currency**

These standalone financial statements are prepared in INR lakhs, which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest lakhs and two decimal thousand except share data and per share data, unless otherwise stated.

**(v) Basis of measurement**

These standalone financial statements have been prepared on the historical cost basis, except for the following items:

- Net defined benefit (asset)/ liability:** Present value of defined benefit obligations
- Other financial assets and liabilities:** Amortised cost

**3) Significant management judgement in applying accounting policies and estimation of uncertainty**

**(A) Significant management judgements**

**(i) Recognition of deferred tax assets/ liability:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

A deferred tax asset is only recognized for unused tax losses and deductible temporary differences, and to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**(ii) Evaluation of indicators for impairment of assets:** The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in determination of the recoverable amount of the assets. Property, plant and equipment, right of use assets and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically. Indicators which events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating unit is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and savings multiples, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economies, fair value and market conditions.



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*Shruti Agarwal*

*Adish*



**Alara Capital Advisors Private Limited**  
**Significant Accounting Policies**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**(iii) Non recognition of interest income on Credit Impaired Loans** - Interest income on credit-impaired loan assets is not being recognized as a matter of prudence, the same is recognized on actual realization basis.

**(iv) Materiality of Prior Period Items** - Prior period items which are not material are not corrected retrospectively through restatement of comparative amounts and are accounted for in current year.

Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The combination of size and nature of the items are the determining factor.

**(vi) Significant estimates**

**(i) Useful lives of depreciable/amortizable assets** - The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimated and assumptions regarding the expected market outlook, expected future cash flows, growth rates, obsolescence, demand, competition, and known technological advances. The charge in respect of periodic depreciation/amortization is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting period.

**(ii) Employee benefit obligations** - Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(vii) Fair value measurements**

The Company measures financial instruments, such as, derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and enforceable price quotes available as the balance sheet date.

**Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

In valuing the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. In case of non-availability of market observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

**(viii) Income Taxes** - Significant estimates are involved in determining the provision for income taxes, including amounts expected to be paid/recovered for uncertain tax positions.

Provision for tax liabilities require judgement on the interpretation of tax legislation, developments in case laws and the potential outcomes of appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

**(ix) Expected Credit Loss (ECL)** - The measurement of an expected credit loss allowances for financial assets measured at amortised cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgements about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL;
- Establishing groups of similar financial assets to measure ECL; and
- Estimating the probability of default and loss given default (estimates of recoverable amounts in case of defaults).

**(x) Provisions including litigation** - The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss.



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**Akam Capital Advisers Private Limited**  
**Significant Accounting Policies**  
 (All amount in Ru. In Lakhs, unless stated otherwise)

**(A) MATERIAL ACCOUNTING POLICIES**

**(i) Property, Plant and Equipment (PPE)**

**Tangible Assets:**

**Recognition and measurement:** Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

As per the requirement of Schedule III of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule III for calculating the depreciation.

**De-recognition:** An item of PPE is derecognised on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of a PPE measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

**Subsequent expenditure:** Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**Depreciation:** Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful lives mentioned in Schedule III to the Companies Act, 2013, using the Straight Line Method and is recognised in the statement of profit and loss. Depreciation on addition to disposal is provided on a pro-rata basis (i.e. from the date on which asset is ready for use/disposed off).

The company does not possess any Tangible Assets as on 31st March 2024 except 90% Assets and as on 31st March 2023.

**Capital Work-in-Progress:**

The cost of PPE under construction at the reporting date is disclosed as "Capital work-in-progress." The cost comprises purchase price, import duties, non-refundable taxes, after deducting trade discounts & rebates, borrowing cost if capitalisation criteria are met and any cost directly attributable to bringing the asset to the location and condition necessary for it to be ready for its intended use. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under "Capital Advances."

The company do not possess any CWP as on 31st March 2024 and 31st March 2023.

**(ii) Intangible Assets**

**Initial Recognition:** Intangible assets are self-generated and stated initially at generation cost. Such assets are recognised where it is probable that the future economic benefits attributable to the assets will flow to the Company.

**Subsequent Recognition:** All intangible assets with finite useful life are subsequently recognised at cost model. These intangible assets are carried subsequently at its cost less accumulated amortisation and accumulated impairment loss if any.

**Amortisation method, estimated useful life and residual value:** Intangible assets are amortised at straight line method over the period of their life. The amortisation period, residual value and the amortisation method are reviewed at least at each balance sheet date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

**Estimated Useful Life: 5 years**

**Derecognition:** An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

**(iii) Intangible Assets under Development**

The intangible assets which are in the process of development are recognised as intangible assets under development. Once developed they are recognised as intangible assets.

**(iv) Leases**

**As a lessee:** The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset;
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- The Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets:** The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the estimated useful life of the assets.



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**Akara Capital Advisors Private Limited**  
**Significant Accounting Policies**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**Lease liabilities:** At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate for lease liabilities is considered as average borrowing rate of debt facilities availed by the company. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**Short-term leases and leases of low-value assets:** Lease payments on short-term leases (which has a lease term of up to 12 months) are recognised as expense over the lease term.

**(v) Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(vi) Foreign currency transactions**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit and loss.

**(vii) Earnings per Share**

The basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

**(viii) Provisions, contingent liabilities and contingent assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

**Contingent liabilities:** A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

**Contingent assets:** Contingent Assets are not recognised but disclosed in Notes which usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits.

**(ix) Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred, if the error occurred before the earliest period presented, the opening balance of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the retrospective information is adjusted to apply the accounting policy prospectively from the earliest date practicable.

**(x) Taxation**

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**Current Tax:** Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss / other comprehensive income, because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



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**Adara Capital Advisory Private Limited**  
**Significant Accounting Policies**  
**(All amount in Rs. in lakhs, unless stated otherwise)**

**Deferred Tax:** Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they relate to different tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

**(vi) Employee benefits**

The Company's obligation towards various employee benefits has been recognised as follows:

**Short term employee benefits:** Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably. These are payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

**Long term employee benefits:**

**Defined contribution plans:** A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Provident fund, employee's state insurance scheme and labour welfare fund are defined contribution plans. These contributions are accounted for as an annual liability and recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related services.

**Defined benefit plans:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan.

The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (including amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Compensated Absences:** Compensated absences-The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. Since the compensated absences are either utilised or otherwise encashed within 12 months of the period the benefit is classified as a short-term employee benefit. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit Credit Method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of profit and loss.

**Share-based Payments:** Equity settled share-based payments to employees are granted by the ultimate parent Company. These are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payments is expensed over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the "SOP reserve", in cases where the share options granted vest in instalments over the vesting period, the Group treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

**(vii) Financial Instruments**

**Recognition and initial measurement:** A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

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**Akera Capital Advisors Private Limited**  
**Significant Accounting Policies**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**Classification and subsequent measurement of Financial Assets:-**

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:-

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL or equity investments at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or group of financial assets is impaired.

**Amortized Cost:-**

Loans (Financial assets) are measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognized on financial assets carried at amortized cost.

**Financial assets at fair value through profit or loss (FVTPL):-**

Financial assets at FVTPL include all derivative financial instruments except for those designated and effective as hedging instruments, for which the hedge accounting requirements are being applied. Assets in this category are measured at fair value with gains or losses recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

**Financial assets at fair value through Other Comprehensive Income (FVOCI):-**

Financial assets at FVOCI comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in other comprehensive income and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment.

However, the Company may transfer the same with equity.

**Classification and subsequent measurement of Financial Liabilities:-**

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for derivative financial liabilities which are carried at FVTPL, subsequently at fair value with gains or losses recognized in the statement of profit and loss (PVTPL).

**Derecognition of financial assets**

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all of its risks and rewards are transferred. The Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

**Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**(iii) Impairment of Financial Assets**

The Company follows a 'three-stage' model for impairment of loan asset carried at amortized cost based on changes in credit quality since initial recognition as summarized below:

- Stage 1:** Includes loan assets that have not had a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date (0-30 days)
- Stage 2:** Includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment (31-90 days)
- Stage 3:** Includes loan assets that have objective evidence of impairment at the reporting date (91-360 days)

The Expected Credit Loss (ECL) is measured as follows:

**Probability of Default (PD):** The PD represents the likelihood of a borrower defaulting on its financial obligation, over the remaining lifetime (Lifetime PD) of the obligation.

**Loss Given Default (LGD):** LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type, and preference of claim and availability of collateral or other credit support.

**Exposure at Default (EAD):** EAD is based on the amount of outstanding exposure as on the assessment date on which ECL is computed.

**(iv) Impairment of non-financial assets:** The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the impairment is reversed subject to a maximum carrying value of the asset before impairment.

**(v) Fair Value Measurement and Disclosure**



**Akzo Capital Advisers Private Limited**  
**Significant Accounting Policies**  
 (All amounts in Rs. in Lakhs, unless stated otherwise)

The Company measures financial instruments, such as derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**(vi) Derivative financial instruments**

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives.

The Company use Derivative instrument includes currency derivatives to hedge foreign currency assets and liabilities.

Derivatives are recognized and measured at fair value (MTM). Attributable transaction costs are recognized in statement of profit and loss as cost.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments is assessed and measured at inception and on an on-going basis. The change in the fair value as assessed based on MTM valuation is recognized in the Statement of Profit and Loss as and when occurs.

**(vii) Revenue Recognition**

Interest income is accounted on all financial assets (except company is not recognizing interest income on credit impaired financial assets) measured at amortized cost. Interest income is recognized using the effective interest rate (EIR) method in line with Ind AS 109, Financial Instruments. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income on credit impaired assets is recognized on receipt basis.

Revenue comprises the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Company's activities. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is presented net of returns, trade allowances, discounts, value added taxes, goods and services taxes (GST). Revenue is recognized as follows:

- I. Interest income on all loans upto 90 days is recognized under accrual basis. Beyond that or in case of any default on loan repayment interest income is recognized only when it is realized.
- II. Fees and Other revenues collected from customers is recognized on accrual basis.
- III. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.
- IV. Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rates.
- V. Dividend income is accounted when the right to receive dividend is established.
- VI. All other income is recognized on an accrual basis.

The company has reported accrued interest income on loans amounting to Rs 3354.43 Lakhs. The Revenue is recognized for interest Accrued but not received on Standard Asset up to 90 days till the period ended 31st March 2024.

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**Akera Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>2. Cash and cash equivalents</b>		
Cash and cash equivalents		
Cash-in-hand	0.30	0.90
Balance with banks		
In Current accounts		
Bank Accounts	1,774.74	13,636.93
Deposits with original maturity of 3 months or less*	326.39	4,109.34
Accrued interest on fixed deposits	14.72	14.67
<b>Total</b>	<b>2,116.15</b>	<b>17,761.84</b>

\*This includes deposits of Nil Lakhs (31 March 2023 INR 436.31 Lakhs) pledged with Banks, Financial Institutions and NBFCs.

<b>3. Bank balances other than cash and cash equivalents</b>		
Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with original maturity of more than 3 months less than 12 months**	1,570.11	10,974.70
<b>Total</b>	<b>1,670.11</b>	<b>10,974.70</b>

\*\*This includes deposit of INR 1,652.18 Lakhs (31 March 2023 INR 1812.74 Lakhs) pledged with Banks, Financial Institutions and NBFCs.

<b>4. Receivables</b>		
Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivable	-	3,294.07
Other Receivables	661.09	1,167.62
<b>Total</b>	<b>661.09</b>	<b>4,461.69</b>

Trade receivable ageing schedule for the year ending March 31, 2024 summarized as below:

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables - considered good - Secured	-	-	-	-	-	-
(ii) Undisputed trade receivables - considered good - Unsecured	-	-	-	-	-	-
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(v) Disputed trade receivables - considered good - Secured	-	-	-	-	-	-
(vi) Disputed trade receivables - considered good - Unsecured	-	-	-	-	-	-
(vii) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(viii) Disputed trade receivables - credit impaired	-	-	-	-	-	-



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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

Trade receivable ageing schedule for the year ending March 31, 2023 summarised as below:

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables - considered good- Secured	3,294.07	-	-	-	-	3,294.07
(ii) Undisputed trade receivables - considered good- Unsecured	-	-	-	-	-	-
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(v) Disputed trade receivables - considered good- Secured	-	-	-	-	-	-
(vi) Disputed trade receivables - considered good- Unsecured	-	-	-	-	-	-
(vii) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(viii) Disputed trade receivables - credit impaired	-	-	-	-	-	-

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**Akora Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**9. Loans**

At amortised cost	As at March 31, 2024	As at March 31, 2023
Term loan	1,47,128.75	1,12,394.25
Working loan	-	-
Corporate loan	-	-
<b>Total (A) Gross</b>	<b>1,47,128.75</b>	<b>1,12,394.25</b>
Less: Impairment loss allowance on loans	9,745.78	4,743.43
Interest Accrued on Loans	5,954.43	831.12
Less: Impairment loss allowance on Accrued interest	431.23	-
Less: Revenue Received in advance	-	1,544.39
<b>Total (B) Net</b>	<b>1,42,012.21</b>	<b>1,08,944.96</b>
Secured by tangible assets (Hypothecation of equitable mortgage of immovable property etc.)	-	-
Guaranteed by Bank/Government/Guarantors	-	-
Unsecured	1,47,128.75	1,12,394.25
<b>Total (C) Gross</b>	<b>1,47,128.75</b>	<b>1,12,394.25</b>
Less: Impairment loss allowance	9,745.78	4,743.43
Less: Revenue Received in advance	-	1,544.39
<b>Total (D) Net</b>	<b>1,37,378.07</b>	<b>1,06,106.44</b>
Loans in India	-	-
Public Sector	-	-
Others	1,47,128.75	1,12,394.25
<b>Total (E) Gross</b>	<b>1,47,128.75</b>	<b>1,12,394.25</b>
Less: Impairment loss allowance	9,745.78	4,743.43
Less: Revenue Received in advance	-	1,544.39
<b>Total (F) Net</b>	<b>1,37,378.07</b>	<b>1,06,106.44</b>
Loans outside India	-	-
Less: Impairment loss allowance	-	-
<b>Total (G) Net</b>	<b>-</b>	<b>-</b>
<b>Total (C-F) and (G)</b>	<b>1,37,378.07</b>	<b>1,06,106.44</b>
Loans Given to Directors	-	-
Loans Given to Directors (Refer Note No 30 for related party disclosure)	-	-

**9.A Credit Quality of Assets**

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading for stage classification are explained in Note 54 (A) and policies on ICL allowances are set out in Note 4 (a).

	As at March 31, 2024				As at March 31, 2023			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
Performing								
High Grade	1,22,947.81	-	-	1,22,947.81	89,803.40	-	-	89,803.40
Standard Grade	-	16,858.28	-	16,858.28	-	8,722.92	-	8,722.92
Non Performing	-	-	1,922.87	1,922.87	-	-	2,767.43	2,767.43
Individually Impaired*	-	-	-	-	-	-	-	-
	1,22,947.81	16,858.28	1,922.87	1,41,728.96	89,803.40	8,722.92	2,767.43	1,01,293.75

\*Refer Note 54 (a) for details



**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2018**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

- (i) Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counter parties.
- (ii) Loans mentioned but unadvanced amount is Rs. 88,562.73 lakhs as on March 31, 2014 (2013 - Rs. 81,234.77 Lakhs)

**5.2 Impairment assessment**

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

**- Definition of default and loss**

The Company considers a financial instrument as defaulted and classified it as Stage 3 (credit impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment.

**- Probability of default ("PD")**

Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical interval data available with the Company. While arriving at the PD, the Company also considers that the factors that affect the macro economic trends are considered to a reasonable extent, wherever necessary. Company calculates the 12 month PD by taking into account the past historical trends of the loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk / credit impaired assets, Lifetime PD has been applied.

**- Exposure at default ("EAD")**

The amount which the borrower will owe to the portfolio at the time of default is defined as Exposure at Default (EAD). While the drawn credit line reflects the explicit exposure for the Company. The value of exposure is given by the following formula:

$EAD = \text{Drawn Credit Line} + \text{Accrued interest as on the reporting date.}$

Where,

$\text{Drawn Credit Line} = \text{Current outstanding amount.}$

**- Loss given default ("LGD")**

The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realized and the time value of money. The Loss Given Default (LGD) has been computed with workout methodology. Workout LGD is widely considered to be the most flexible, transparent and logical approach to build on LGD model. Along with actual recoveries, value of the underlying collateral has been factored in to estimate future recoveries in LGD computation. Workout LGD computation involves the actual recoveries as well as future recoveries (as a part of the workout process) on a particular facility, as a percentage of balance outstanding at the time of default/restructuring. The assessment of workout LGD was then performed. Principal outstanding for each loan was assessed, which works into the denominator of the LGD estimation. LGD computation has been done for each segment and sub-segment separately.

**- Significant increase in credit risk**

Company considers a financial instrument deteriorated, classified as Stage 2 (credit-impaired) for ECL calculations, in all cases when the borrower becomes 90 days past due or classified as non performing asset (NPA) as per RBI guidelines. Classification of assets from stage 1 to stage 2 has been carried out based on SBC criteria. Accounts which are more than 30 days past due have been identified as accounts where significant increase in credit risk has been observed. These accounts have been classified as Stage 2 assets. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

**- Risk assessment model**

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogeneous portfolios from the perspective of credit behaviour.

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**6 Investments**

Particulars	At Fair Value				Total
	Amortized Cost	Through other comprehensive income	Through profit or loss	Others	
<b>As at March 31, 2024</b>					
Investment in Pass through Certificate (PTC)	-	-	-	-	-
Debt securities	-	-	-	-	-
Asset backed securities	-	-	-	-	-
<b>Total (A)</b>	-	-	-	-	-
Investments outside India	-	-	-	-	-
Investments in India	-	-	-	-	-
<b>Total (B)</b>	-	-	-	-	-
<b>Total (A) to tally with (B)</b>	-	-	-	-	-
Less: Allowance for Impairment loss (C) *	-	-	-	-	-
<b>Total Net D = (A) - (C)</b>	-	-	-	-	-
<b>As at March 31, 2023</b>					
Investment in Pass through Certificate (PTC)	82.04	-	-	-	82.04
Credit substitutes	-	-	-	-	-
<b>Total (A)</b>	82.04	-	-	-	82.04
Investments outside India	-	-	-	-	-
Investments in India	82.04	-	-	-	82.04
<b>Total (B)</b>	82.04	-	-	-	82.04
<b>Total (A) to tally with (B)</b>	82.04	-	-	-	82.04
Less: Allowance for Impairment loss (C) *	-	-	-	-	-
<b>Total Net D = (A) - (C)</b>	82.04	-	-	-	82.04
<b>Note:- Also refer Note-50C</b>					

**7 Other financial assets (at amortised cost)**

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Margin Money on Borrowings	-	475.00
Security Deposit	45.34	221.74
Balance with banks		
in deposits with maturity of more than 12 months		295.67
PLG Recoverable	2,888.38	
Amount Recoverable from Lender	23.48	3.96
Advance to supplier	4.89	35.93
TDS Receivable		645.73
<b>Total</b>	<b>2,962.99</b>	<b>1,667.72</b>

**8 Deferred Tax Liabilities / (assets)**

	As at March 31, 2024	As at March 31, 2023
Deferred tax liability		
Intangible Assets	-	114.65
Unamortised Borrowing Cost	100.21	749.48
<b>Gross deferred tax liability</b>	<b>100.21</b>	<b>864.13</b>
Deferred tax asset		
Provision for Expenses		40.06
Expected credit loss (ECL)	2,562.55	1,081.77
Provision for employee benefits	11.07	82.73
Intangible Assets	114.21	
Derivative Financial Instruments	21.67	
<b>Gross deferred tax asset</b>	<b>2,709.50</b>	<b>1,154.56</b>
<b>Net Deferred Tax Asset/(Liability)</b>	<b>2,609.29</b>	<b>(299.37)</b>

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Akara Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in Lakhs, unless stated otherwise)

8(a) Property, Plant and Equipment

	Office equipment	Computers	Total
<b>Cost</b>			
At April 01, 2022	0.42	2.11	2.53
Additions	-	-	-
Disposals	(0.42)	(2.11)	(2.53)
At March 31, 2023	-	-	-
Additions	-	-	-
Disposals	-	-	-
At March 31, 2024	-	-	-
<b>Accumulated Depreciation</b>			
At April 01, 2022	0.40	2.90	3.40
Charge for the year	-	-	-
Disposals	(0.40)	(2.90)	(3.40)
At March 31, 2023	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
At March 31, 2024	-	-	-
<b>Net Book Value</b>			
At March 31, 2023	-	-	-
At March 31, 2024	-	-	-

8(b) Right to use Assets

Particulars	Vehicles	Total
<b>Cost</b>		
At April 01, 2022	-	-
Additions	-	-
Disposals	-	-
At March 31, 2023	-	-
Additions	19.29	19.29
Disposals	-	-
At March 31, 2024	19.29	19.29
<b>Accumulated Amortization</b>		
At April 01, 2022	-	-
Additions	-	-
Disposals	-	-
At March 31, 2023	-	-
Additions	6.43	6.43
Disposals	-	-
At March 31, 2024	6.43	6.43
<b>Net Book Value</b>		
At March 31, 2023	-	-
At March 31, 2024	12.86	12.86

8(c) Intangible assets under development:

	Software	Total
<b>Gross block</b>		
At April 01, 2022	34.99	34.99
Capitalised during the year	(34.99)	(34.99)
Addition	49.87	49.87
At March 31, 2023	49.87	49.87
Capitalised during the year	(49.87)	(49.87)
Addition	12.50	12.50
At March 31, 2024	12.50	12.50

Intangible assets under development as on March 31, 2024

Intangible assets under development	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	12.50	-	-	-	12.50

Intangible assets under development as on March 31, 2023

Intangible assets under development	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	49.87	-	-	-	49.87



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Akara Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in Lakhs, unless stated otherwise)

9(d) Intangible assets

	Software	Total
At April 01, 2022	787.87	787.87
Additions	1,300.81	1,300.81
Disposals	(122.59)	(122.59)
At March 31, 2023	1,866.09	1,866.09
Additions	409.30	409.30
Disposals	-	-
At March 31, 2024	2,275.39	2,275.39
Accumulated Amortization		
At April 01, 2022	198.31	198.31
Charge for the year	223.34	223.34
Disposals	(59.05)	(59.05)
At March 31, 2023	362.60	362.60
Charge for the year	1,040.64	1,040.64
Disposals	-	-
At March 31, 2024	1,403.24	1,403.24
Net Book Value		
At March 31, 2023	1,503.49	1,503.49
At March 31, 2024	872.15	872.15

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## 10 Other non-financial assets

## 11. Derivative Financial Instruments

Part B	As at March 31, 2024		As at March 31, 2023	
	Notional Amount	Fair Value-Liabilities	Notional Amount	Fair Value-Liabilities
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:-				
Cash flow hedging:				
Foreign exchange forward contract	8,519.50	86.13	-	-
Total derivative financial instruments	8,519.50	86.13	-	-

## 12. Final Psychology

Trade Payables aging schedule as on March 31, 2026

Trade Payable aging schedule as on March 31, 2023

Particular	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	39.58	0.10			39.68
(ii) Others	467.07	0.40			467.47
(iii) Disputed dues - MSME					-
(iv) Disputed dues - Others			5.85		5.85
	507.25	0.50	5.85	-	513.60

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**13 Debt Securities**

	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
Secured *		
Non-convertible debentures	17,469.92	32,309.60
<b>Total gross (A)</b>	<b>17,469.92</b>	<b>32,309.60</b>
Add: Accrued Interest	36.49	172.53
Less: Unamortised Borrowing Cost	(116.23)	-
<b>Total Net (A)</b>	<b>17,390.17</b>	<b>32,482.13</b>
Debt securities in India	17,390.17	32,482.13
Debt securities outside India	-	-
<b>Total (B)</b>	<b>17,390.17</b>	<b>32,482.13</b>

\* Secured against exclusive charge by way of hypothecation of lending book/ receivables of the Company.

**13.1 Details of debt securities:**

**Redeemable Non-Convertible Debentures - Secured**

**Privately placed:**

Privately placed debentures are secured by exclusive charge on loan receivables of the company. During the year ended March 31, 2024, the Company has raised Rs 20,450 Lakhs (March 31, 2023 Rs 31,900 Lakhs) worth of redeemable non-convertible debentures through private issue. The Company has utilised the whole of the aforementioned net proceeds towards the objects of the issue as stated in the respective term sheets.

**13.2 Terms of repayment of Debt Securities Outstanding**

No. Of Debentures	Face Value (Rs.)	Interest (%)	Date Of Redemption	As at March 31, 2024	As at March 31, 2023
<b>Listed NCDs</b>					
300	10,00,000	11.75%	28-06-2024	500.00	2,500.00
3000	1,00,000	11.50%	31-10-2024	1,500.00	-
2000	1,00,000	11.50%	28-05-2025	1,600.00	-
4000	1,00,000	10.01%	21-01-2025	2,666.67	-
1800	1,00,000	11.04%	31-12-2024	360.00	1,800.00
4950	1,00,000	11.05%	11-05-2024	1,237.50	-
690	10,00,000	12.55%	26-03-2024	-	6,900.00
<b>Subtotal (A)</b>				<b>7,864.17</b>	<b>11,200.00</b>
<b>Unlisted NCDs</b>					
2700	1,00,000	13.05%	14-04-2024	450.00	2,250.00
400	10,00,000	14.00%	01-12-2024	1,524.80	3,809.60
750	10,00,000	14.00%	31-12-2024	3,214.29	7,500.00
250	10,00,000	14.00%	31-03-2025	1,500.00	2,500.00
3000	1,00,000	14.00%	01-12-2024	1,333.33	-
500	5,00,000	13.50%	30-11-2024	1,333.33	-
1000	1,00,000	11.05%	30-06-2024	250.00	-
40000	10,000	13.17%	03-07-2023	-	800.00
200	10,00,000	14.55%	16-03-2024	-	2,000.00
30000	10,000	11.04%	08-11-2023	-	2,250.00
<b>Subtotal (B)</b>				<b>9,605.75</b>	<b>21,109.60</b>
<b>Total</b>				<b>17,469.92</b>	<b>32,309.60</b>

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**14 Borrowings (Other Than Debt Securities)**

At amortised cost	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
<b>Terms Loans</b>		
From Financial Institutions	25,478.42	32,117.85
From Banks	2,917.65	4,666.67
Inter Corporate Deposits	1,348.46	2,989.39
WCDL	-	2,509.00
<b>Foreign Loan</b>		
From Holding Company	37,500.73	24,193.19
<b>Unsecured</b>		
<b>Commercial Paper</b>		
from AIF	2,000.00	-
<b>Lease Liability</b>	13.73	-
<b>Total gross (A)</b>	<b>69,258.59</b>	<b>66,467.09</b>
Add: Accrued Interest ECB	224.10	144.89
Add: Accrued Interest on Term Loans	143.61	147.35
Add: Borrowings Revaluation Reserve	787.52	-
Less: Unamortised Borrowing Cost	(281.90)	(522.84)
<b>Total Net (A)</b>	<b>70,132.31</b>	<b>66,236.50</b>
Borrowings in India	31,619.97	41,898.42
Borrowings outside India	38,512.34	24,338.08
<b>Total (B)</b>	<b>70,132.31</b>	<b>66,236.50</b>

**Default:** There are no defaults as on balance sheet date in repayment of borrowing and interest thereon.

**Corporate Guarantee:** Corporate Guarantee of Rs 67,201.02 Lakhs have been provided by group companies of Akara Capital Advisors Private Limited to various lenders on the facilities availed from them on behalf of Akara Capital Advisors Private Limited as on 31-03-2024

**End Use:** The Company has taken borrowings from banks, NBFCs, and Financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date.

The loans are secured against exclusive charge by way of hypothecation of landing book/ receivables of the Company.

Term Loans from Banks carry rate of interest from the range of 9.50% to 14.00% and tenure from 9 months to 2 years along with monthly repayment schedule.

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**14.1 Terms of repayment of long term borrowings (Other Than Debt Securities) outstanding**

Rate	Tenure	Installments	Balance as on 31-03-2024	Balance as on 31-03-2023		
Fixed	<1 Year	1	2,000.00	2,627.35		
		2	743.52	890.82		
		3	1,818.64	2,969.81		
		4	1,083.02	520.80		
		5	3,868.33	2,283.57		
		6	1,878.65	-		
		7	1,296.55	126.52		
		8	-	183.48		
		9	1,600.00	-		
		10	421.51	-		
		11	-	1,503.69		
		12	1,661.27	4,578.01		
	1-2 Years	1	24,193.19	-		
		2	-	111.04		
		3	-	326.32		
		4	133.33	359.45		
		6	-	361.38		
		7	-	996.31		
	12	-	794.89			
	2-3 Years	1	13,307.67	-		
	3-4 Years	1	-	24,193.19		
	Floating	<1 Year	1	139.49	-	
			2	-	106.01	
			3	-	593.90	
4			1,219.45	873.07		
5			2,418.00	580.35		
6			375.00	494.73		
7			-	291.67		
8			1,059.25	1,060.51		
9			3,881.25	7,213.74		
10			-	2,466.67		
11			922.15	1,329.17		
12			3,818.83	4,650.87		
	1-2 Years	1	31.17	139.49		
		3	187.50	-		
		4	166.67	400.00		
		5	208.33	-		
		6	-	375.00		
		8	333.33	1,059.20		
		9	-	1,256.10		
		11	229.17	-		
		12	250.00	750.00		
		Total			69,245.26	66,467.09

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Akara Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in Lakhs, unless stated otherwise)

15 Other financial liabilities (at amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Loan pending disbursement		115.08
Collection from Customer Payable under PTC	154.09 106.37	360.06 164.19
Security Deposit Payable	109.35	
Due to Collenders	197.46	
Statutory remittances	676.98	561.35
Employee related payable	141.57	65.06
Other Payables	0.75	
<b>Total</b>	<b>1,440.57</b>	<b>1,205.54</b>

16 Current Tax Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Tax	3,033.32	1,062.39
<b>Total</b>	<b>3,033.32</b>	<b>1,062.39</b>

17 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for compensated absences	22.20	11.78
Provisions for Gratuity	44.59	20.95
Other Provisions		
Provision for Expenses	479.16	322.53
Audit Fee Payable	6.48	5.40
<b>Total</b>	<b>552.83</b>	<b>360.65</b>

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**Merus Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amounts in Rs. in Lakhs, unless stated otherwise)

18 Share Capital			
Authorized Share Capital			
	Equity Shares		Preference Shares
	No. of shares	Amount (in INR Lakhs)	No. of shares
At April 01, 2023	40,00,00,000	40,000	-
Increase during the year	-	-	-
At March 31, 2023	40,00,00,000	40,000	-
Increase during the year	-	-	-
At March 31, 2024	40,00,00,000	40,000	-

**Terms/Rights attached to equity shares**

The Company has a single class of equity shares having a par value of ₹ 10 per share (hereinafter referred to as "share"). Each holder of equity share is entitled to one vote per share in proportion of the share of the paid-up capital of the Company held by the shareholder. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after discharging all liabilities of the Company, in proportion to their shareholdings.

**18.1 Issued equity capital**

**Equity shares of Rs. 10 each issued, subscribed and fully paid**

	No. of shares	Amount (in INR Lakhs)
At April 01, 2023	21,11,90,519.00	21,119.05
ASH Shares issued during the year	5,90,08,812.00	5,900.88
At March 31, 2023	27,01,99,331.00	27,019.93
ASH Shares issued during the year	4,94,14,661.00	4,941.47
At March 31, 2024	31,96,13,992.00	31,961.40

**18.2 Shares held by holding Company and Beneficiaries**

Name of the promoter	As at March 31, 2023		As at March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Small Aquamarine (Karnataka Ocean Marine Technologies Pvt. Ltd.)	100	0.000216%	100	0.000310%
Merus Technologies Pvt. Ltd. (Holding Company)	31,56,92,496	98.999784%	27,05,59,231	99.999690%
<b>Total</b>	<b>31,56,92,596</b>	<b>100.00%</b>	<b>27,05,59,331</b>	<b>100.00%</b>

As per records of the Company, including its register of shareholders, the above shareholding represents both legal and beneficial ownership of shares.

**18.3 Details of shareholders holding more than 5% shares in the Company**

Name of the promoter	As at March 31, 2023		As at March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of Rs. 10 each fully paid				
Merus Technologies Pvt. Ltd. (Holding Company)	31,56,92,496	98.999784%	27,05,59,231	99.999690%
<b>Total</b>	<b>31,56,92,496</b>	<b>100.00%</b>	<b>27,05,59,231</b>	<b>100.00%</b>

As per records of the Company, including its register of shareholders, the above shareholding represents both legal and beneficial ownership of shares.



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Alcon Capital Advisors Private Limited  
 Notice to the Financial Statements for the year ended March 31, 2024  
 (All amounts in Rs. Lakhs, unless stated otherwise)

18.4 Shareholding of associate in the company(only)

Name of the associate	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
United Regional Biomedical Center- Micro Technologies Pvt. Ltd.	100	0.00001%	100	0.00001%

18.5 The Company has issued only one class of equity shares having face value of 10 per share.  
 18.6 The holders of the equity shares are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.  
 18.7 The company has not, for a period of 5 years immediately preceding the balance sheet date:

(a) issued equity shares without payment being received in cash;

(b) issued equity shares by way of bonus share;

(c) bought back any of its shares;

18.8 For details of shares reserved for issue under the employee stock option (ESO) plan of the Company, refer note 18.

18.9 For Capital Management, refer Note 14(i).



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19 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Equity</b>		
Share Premium A/c		
Opening Balance	10,551.80	8,514.57
Add: Premium on issue of equity shares	4,543.47	4,517.13
	<u>15,095.27</u>	<u>10,553.80</u>
 <b>Reserve U/s 45-IC of the Reserve Bank of India Act 1961</b>		
Opening Balance	855.34	195.72
Add: Amount transferred from surplus of profit and loss	1,376.42	659.82
Balance at the end of the year	<u>2,231.76</u>	<u>855.54</u>
 <b>Share Based Payments Reserve</b>		
Opening Balance	3,854.32	2,049.42
Add: Share Based Payment Reserve (Parent)	2,179.69	1,808.90
Balance at the end of the year	<u>6,034.00</u>	<u>3,858.32</u>
 <b>Retained earnings</b>		
Opening Balance	(1,189.77)	(1,310.56)
Add: Profit for the year	6,882.12	780.50/199
Less: Transferred to statutory reserves	(1,379.42)	(620.82)
	<u>4,315.93</u>	<u>(1,149.77)</u>
 <b>Other Comprehensive Income</b>		
Opening Balance	10.33	7.18
Add: Other comprehensive income	(15.68)	4.37
Less: Income-tax effect on other comprehensive income	3.95	(1.32)
	<u>(1.50)</u>	<u>10.22</u>
 <b>Total Other Equity</b>	<u>27,672.46</u>	<u>14,083.90</u>

**Notes:**

(1) Reserve U/s 45-IC is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 wherein every non banking financial company shall create a reserve fund (the transfer thereto a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared

(2) Share based payment reserve - The share based payment reserve is used to recognise grant date fair value of options issued to employees under the Company's stock option schemes.

(3) Retained earnings - Retained earnings represents the amount of accumulated earnings of the Company.

**19.1 Nature and purpose of reserves**

- Securities premium reserve**  
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- Statutory reserve/Reserve U/s 45-IC of the Reserve Bank of India Act 1961**  
Reserve created under 45-IC(1) in the Reserve Bank of India Act, 1934 a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- Share Based Payments Reserve**  
Share Based Payments Reserve relates to share options granted to eligible employees of the Company by the parent company under its employee share option plan.
- Retained earnings**  
Retained earnings comprises of the Company's undistributed earnings after taxes.

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**Akaro Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**20 Interest Income**

Particulars	For the year March 31, 2024	For the year March 31, 2023
	On financial assets measured at Amortised cost	On financial assets measured at Amortised cost
Interest Income from loan financing	63,524.82	18,673.64
Interest Income on deposits with Banks	221.28	241.27
<b>Total</b>	<b>64,346.10</b>	<b>18,914.91</b>

**21 Fees and commission Income**

Particulars	For the year March 31, 2024	For the year March 31, 2023
Service and other fees	14,316.44	2,641.61
	<b>14,316.44</b>	<b>2,641.61</b>

**22 Other Income**

Particulars	For the year March 31, 2024	For the year March 31, 2023
Interest Income on Cash Margin to Lender	10.73	6.61
Interest Income from Loans to related parties	-	32.40
Income on Sale of Bonds	3.89	30.37
Miscellaneous Income	7.58	2.66
Bad Debts Recovered	2,187.48	68.73
Income From PTC Portfolio	23.37	-
<b>Total</b>	<b>2,229.45</b>	<b>135.77</b>

**23 Finance Costs**

Particulars	For the year March 31, 2024	For the year March 31, 2023
	On financial liabilities measured at Amortised cost	On financial liabilities measured at Amortised cost
<b>Interest Expenses on :-</b>		
<b>Borrowings</b>		
Interest on Loans from Banks	591.88	72.08
Interest on Loans from financial institutions	4,195.83	3,750.85
Interest on foreign loan from holding company	2,652.42	1,022.12
Interest on WCDL	194.38	106.41
Interest Expenses on ICD's	306.02	219.35
Interest Expenses on Commercial Paper	191.45	-
Rates Loan	189.34	-
<b>Debt Securities</b>		
Interest on Depositories	4,308.60	1,554.32
<b>Interest On Lease</b>	<b>2.35</b>	
<b>Other Borrowing Cost</b>	<b>1,803.01</b>	<b>806.96</b>
<b>Total</b>	<b>14,165.89</b>	<b>7,623.08</b>

**24 Net gain/(loss) on fair value changes**

Particulars	For the year March 31, 2024	For the year March 31, 2023
<b>Total net gain on fair value changes on financial instruments measured at fair value through profit and loss</b>		
Loss on Fair Value changes in Foreign Currency	86.11	-
	<b>86.11</b>	<b>-</b>
<b>Total net gain on fair value changes on financial instruments measured at fair value through profit and loss</b>		
<b>Fair value changes</b>		
Realised	-	-
Unrealised	86.11	-
<b>Total Net gain on fair value changes</b>	<b>86.11</b>	<b>-</b>

**25 Impairment on financial instruments**

Particulars	For the year March 31, 2024	For the year March 31, 2023
<b>On financial instruments measured at Amortised cost</b>		
Impairment Allowance on Loans	5,435.54	4,617.34
Impairment Allowance on Other Assets	-	101.22
Bad Debts	37,132.05	-
<b>Total</b>	<b>42,567.59</b>	<b>4,718.56</b>

For more details Refer Note No. 55 (A)



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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**26 Employee Benefits Expenses**

Particulars	For the year March 31, 2024	For the year March 31, 2023
Salaries and wages	1,227.25	575.09
Director Remuneration	41.25	31.69
Contribution to provident and other funds	42.83	19.94
Gratuity	8.35	4.47
Leave encashment	19.19	24.26
Staff welfare expense	1.43	2.90
Share Based Payments	2,110.68	1,806.90
<b>Total</b>	<b>8,529.98</b>	<b>2,487.10</b>

**27 Depreciation, amortization and impairment**

Particulars	For the year March 31, 2024	For the year March 31, 2023
Depreciation on Tangible Assets and ROU	6	
Amortisation on Intangible assets	1,041	223.34
<b>Total</b>	<b>1,047.07</b>	<b>223.34</b>

**28 Other expenses**

Particulars	For the year March 31, 2024	For the year March 31, 2023
Direct Expense	9,602.04	3,526.49
Rates & Taxes	0.38	0.54
Communication Expenses	0.34	0.16
Printing & Stationery	6.58	1.27
Audit Fee (detailed in 28(a))	10.20	8.00
Legal & Professional	174.00	193.73
Commission	43.55	
Insurance Expenses	1.52	0.23
Travelling & Conveyance	26.00	21.54
Electricity and Telephone Expense	4.01	2.62
Corporate social responsibility expenses	63.47	6.28
Rent and Facility Fees	48.89	55.97
Business Auxiliary Services	5.57	61.37
Bank Charges	122.23	49.57
Director Sitting Fees	38.63	39.75
Annual and Subscription Fees	2.56	0.03
Filing Fee	112.71	39.58
Miscellaneous Expenses	1,091.53	650.07
<b>Total</b>	<b>13,264.10</b>	<b>4,465.41</b>

**28(a) Auditor's remuneration**

Particulars	For the year March 31, 2024	For the year March 31, 2023
As auditor		
For statutory audit	7.23	6.00
For Limited Review/ Interim Audit	2.00	2.00
	<b>10.23</b>	<b>8.00</b>

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**29. Income Tax**

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023

Recorded in Statement of Profit & Loss Account	As at March 31, 2024	As at March 31, 2023
<b>Current Income tax:</b>		
Current income tax charge		
a) Pertaining to profit for the current period	3,218.31	1,062.39
b) Adjustment of tax relating to earlier periods	11.17	
<b>Deferred tax:</b>		
Relating to the origination and reversal of temporary differences	(2,899.66)	331.50
<b>Income tax expense reported in the statement of profit or loss</b>	<b>319.82</b>	<b>1,394.29</b>
<b>Other Comprehensive Income</b>		
Relating to origination and reversal of temporary differences:	(15.86)	4.07
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Income Tax relating to remeasurement gains/(losses) on defined benefit plans	(3.95)	1.02
<b>Income tax expense reported in other comprehensive section</b>	<b>(3.95)</b>	<b>1.02</b>

**30. Earning Per Share**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Following reflects the net profit and weighted average equity shares data used in EPS computation:		
<b>Basic</b>		
Weighted average number of equity shares for computation of Basic EPS (in Nos.)	28,68,02,513	23,37,55,457
Net profit for calculation of Basic EPS (in Rs. Lakhs)	6,892.12	780.50
<b>Basic earning per share (in Rs.)</b>	<b>2.40</b>	<b>0.33</b>
<b>Diluted</b>		
Weighted average number of equity shares for computation of Diluted EPS (in Nos.)	28,68,47,327	23,37,56,617
Net profit for calculation of Diluted EPS (in Rs. Lakhs)	6,892.12	780.50
<b>Diluted earning per share (in Rs.)</b>	<b>2.40</b>	<b>0.33</b>
<b>Reconciliation of Weighted average number of shares outstanding</b>		
Weighted average number of equity shares of computation of Basic EPS	28,68,02,513.39	23,37,55,697.45
Add: Dilutive potential equity shares	44,814.00	1,129.17
Weighted average number of equity shares of computation of Diluted EPS	28,68,47,327.39	23,37,56,827.62
<b>Nominal value of equity shares (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>

Basic earning per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

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#### 4.1. Employees Stock Option Plan

The Company has formulated share-based payment schemes for the Group employees ("Plan"). Details of all grants in operation during the year ended March 31, 2024 are as shown below.

## Summary of Stock option liability with respect to Employees

[illegible]

## Summary of Stock option liability with respect to 800 holders

[illegible]

over the period. The Q ratios reported under this Gordon Plan shall be examined as per the provision but not in the table below.

	Treatment of Unvested Options
In the event of termination due to Cause	All the Unvested Options shall continue to vest as per the vesting schedule.
In the event of termination due to Resignation	All the Unvested Options as on date of resignation/termination shall remain vested with the employee and such unvested options shall be added to the ESOP Pool.
In the event of termination due to Permanent Incapacity	All the Unvested Options as on date of death shall continue to vest with the employee as legal heirs and such unvested options shall be added to the ESOP Pool.
In the event of termination due to Retirement	All the Unvested Options as on date of retirement/termination shall remain vested with the employee and such unvested options shall be added to the ESOP Pool.
In the event of termination due to Death	All the Unvested Options as on date of death shall continue to vest with the employee as legal heirs and such unvested options shall be added to the ESOP Pool.
In the event of termination due to Other Reasons	All the Unvested Options as on date of termination shall remain vested with the employee and such unvested options shall be added to the ESOP Pool.

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the Director shall be so may be determined by the administrator at the time of Grant of Options provided that the exercise price shall not be more than the fair market value of the Shares as determined at Grant of Options.

Source: International Airline Association.



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## II. Reversal of Options Expense and Liability

### 32 Employee Benefits

## Retirement Benefit Plan

#### A. Defined Contribution Plan

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to recognized provident fund	42.76	19.69
Contribution to employee state insurance schemes	0.07	0.15
<b>Total</b>	<b>42.83</b>	<b>19.84</b>

### B.1. Defined Benefit Plan-Gratuity

Net employee benefit expense recognized in the employee cost

	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	9.00	9.22
Interest cost	1.57	1.20
Post Service Cost	-	-
Expected return on plan asset*	-	-
Benefits paid during the year	(2.22)	-
<b>Net expense</b>	<b>8.35</b>	<b>4.42</b>

\*The company does not follow the policy of contribution to Plan Assets for payment of Leave Encashment and Gratuity.

## Remeasurement (gain)/ loss recognised in other comprehensive income:

	Year ended March 31, 2024	Year ended March 31, 2023
Remeasurement (gain) / loss on obligations arising from changes in experience assumptions	1.15	(3.69)
Remeasurement (gain) / loss on obligations arising from changes in financial assumptions	14.53	(5.31)
Remeasurement (gain) / loss on obligations arising from changes in demographic assumptions		
<b>Remeasurement (gain) / loss arising during the year</b>	<b>15.68</b>	<b>(4.07)</b>



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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

Net defined benefit liability	Year ended March 31, 2024	Year ended March 31, 2023
Present value of defined benefit obligation	44.99	20.95
Fair value of plan assets*	-	-
Plan liability	44.99	20.95

\*The company does not follow the policy of contribution to Plan Assets for payment of Leave Encashment and Gratuity

Changes in the present value of the defined benefit obligation are as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation	20.95	20.60
Current service cost	9.00	3.22
Interest cost	1.57	1.20
Benefits paid during the year	(2.22)	-
Remeasurement (gain)/loss on obligation	15.68	(4.07)
Closing defined benefit obligation	44.99	20.95

The principle assumptions used in determining gratuity obligations for the Company are shown below:

	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.25%	7.50%
Salary escalation rate	25.00%	5.00%
Attrition / Withdrawal Rate (per Annum)	45.00% p.a	5.00% p.a.
Mortality	IALM 2012-14	IALM 2012-14

Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table.

Rates at specimen ages are tabulated below:

Age (Years)	Rates	Age (Years)	Rates	Age (Years)	Rates
20	0.000914	35	0.001202	50	0.004436
25	0.000921	40	0.00168	55	0.007513
30	0.000977	45	0.002579	60	0.011162

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Sensitivity Analysis:**

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2024	As at March 31, 2023
a) Effect of 1% change in assumed discount rate		
-1% increase	-3.00%	-10.00%
-1% decrease	3.00%	12.00%
b) Effect of 1% change in assumed salary escalation rate		
-1% increase	2%	12%
-1% decrease	-1%	-12%
c) Effect of 1% change in assumed withdrawal rate		
-1% increase	-1%	-2%
-1% decrease	2%	2%

**B.2. Defined Benefit Plan- Earned Plans**

The following tables summarize the components of net benefits expense recognized in the statement of profit and loss and amounts recognized in the balance sheet.

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**Net employee benefit expense recognized in the employee cost**

	As at March 31, 2024	As at March 31, 2023
Current service cost	29.19	24.26
Interest cost		
Adjustment of Opening SI Liability		
<b>Net expense</b>	<b>29.19</b>	<b>24.26</b>

**Net defined benefit liability**

	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	22.20	11.78
Fair value of plan assets*		
<b>Plan liability</b>	<b>22.20</b>	<b>11.78</b>

\*The company does not follow the policy of contribution to Plan Assets for payment of Leave Encashment and Gratuity

**Changes in the present value of the defined benefit obligation are as follows:**

	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	11.78	8.46
Current service cost	29.19	24.26
Interest cost		-
Benefits paid during the year	(18.76)	(20.84)
Remeasurement (gain)/loss on obligation		
<b>Closing defined benefit obligation</b>	<b>22.20</b>	<b>11.78</b>

**The principle assumptions used in determining Compensated Absences obligations for the Company are shown below:**

	As at March 31, 2024
Discount rate	7.25%
Salary escalation rate	25.00%
Attrition / Withdrawal Rate (per Annum)	45.00% p.a.
Mortality	IAM 2012-14

Note: The company has not obtained Compensated absences actuarial report from certified valuer for the year ended 31st March, 2023. Thus, above details are not being disclosed for year ended 31st March, 2023.

Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table.

Rates at specimen ages are tabulated below:

Age (Years)	Rates	Age (Years)	Rates	Age (Years)	Rates
20	0.000924	35	0.001202	50	0.004436
25	0.000981	40	0.00168	55	0.007513
30	0.000977	45	0.002579	60	0.013162

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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Akara Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in Lakhs, unless stated otherwise)

**Sensitivity Analysis:**

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2024
a) Effect of 1% change in assumed discount rate	
- 1% increase	-3.00%
- 1% decrease	3.00%
b) Effect of 1% change in assumed salary escalation rate	
- 1% increase	2%
- 1% decrease	-2%
c) Effect of 1% change in assumed withdrawal rate	
- 1% increase	-1%
- 1% decrease	1%

Note: The company has not obtained Compensated absences actuarial report from certified valuer for the year ended 31st March, 2023. Thus, above details are not being disclosed for year ended 31st March, 2023.

Amount Recognised in Statement of Profit and Loss	As at March 31, 2024	As at March 31, 2023
- Gratuity	8.25	4.42
- Leave Encashment	29.19	24.26
Amount Recognised in Balance Sheet :	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end		
- Gratuity	44.99	20.95
- Leave Encashment	22.20	11.79

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**Kura Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**33 Segment information**

The Company's main business is to provide financing to its Customers to cover their cash flow requirements. All other activities revolve around the main business. The Company does not have any geographic segments. The Company does not derive revenues from any single customer, amounting to 10 percent or more of Company's revenues. As such, there are no separate reportable segments as per IND AS 108 "Segment Reporting".

**34 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Particulars	As at	
	March 31, 2024	March 31, 2023
(a) The principal amount remaining unpaid to any supplier as at the end of the year;	70.51	39.68
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year;	-	-
(c) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year;	-	-
(d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act;	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

**35 Disclosure on Corporate Social Responsibility**

In terms of Section 135 of The Companies Act, 2013, the company is required to constitute a corporate social responsibility (CSR) Committee of the Board of Directors and the Company has to spend 2% of the average net profits of the company's three immediately preceding financial years calculated as per section 188 of the Companies Act 2013. In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, notified w.e.f. 22.05.2021, any unspent amount pursuant to any ongoing project shall be transferred to unspent CSR Amount in any scheduled bank within a period of thirty days from the end of the financial year, to be utilized within a period of three financial years from the date of such transfer. Any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified under Schedule VII, within a period of six months of the expiry of the financial year. Further, if the company spends an amount in excess of the requirement under aforesaid, the excess amount may be carried forward and set off in three succeeding financial years against the amount to be spent.

**Details of Corporate Social Responsibility (CSR)**

Particulars	Year Ended 31-03-2024	Year Ended 31-03-2023
a) Gross amount required to be spent by the Company for respective financial year	62.75	7.51
a.1) Amount approved by Board for CSR expenditure	62.75	7.51
b) Amount spent during the year	63.47	8.28
c) Shortfall / (Excess) at the end of the year (b-a)	10.67	1.22
d) Carried forward (Excess) CSR spends from previous years	-	-
e) Adjustment of Excess Amount spent previously in Current year	-	-
f) Total Shortfall / (Excess) spends carried forward at the year-end	10.67	1.22

Note: The Company has paid the CSR shortfall of year ended 31st March 2023 in the year ended 31st March 2024.

**Details of Unspent Amount**

Particulars	Year Ended 31-03-2024	Year Ended 31-03-2023
a) Opening balance	1.22	-
b) Amount spent during the year	1.22	-
c) Total Shortfall / (Excess) spends carried forward at the year-end	-	-

**Details of Amount spent in excess**

Particulars	Year Ended 31-03-2024	Year Ended 31-03-2023
a) Opening balance	-	-
b) Amount excess spent / (adjusted) during the year	0.67	-
c) Total Excess spends carried forward at the year-end	0.67	-

**Amount spent during the year on CSR activities**

S. No.	Particulars	Year Ended 31-03-2024			Year Ended 31-03-2023		
		Paid or Settled	Yet to be paid	Total	Paid or Settled	Yet to be paid	Total
a)	Academic support centres for basic education of specially skilled kids.	13.00	-	13.00	3.00	-	3.00
b)	Project of Sinda and Animal Hospital, Women Empowerment, Ayurved and Naturopathy Impoverment	50.47	-	50.47	-	-	-
c)	Rehabilitation Centres and terminally ill patients	-	-	-	5.00	-	5.00
d)	Others	-	-	-	0.28	-	0.28
	<b>Total</b>	<b>63.47</b>	<b>-</b>	<b>63.47</b>	<b>8.28</b>	<b>-</b>	<b>8.28</b>

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16. Related party disclosures

Policy adopted by company in relation to Related Party transaction

Identification and Approval of Potential Related Party Transactions  
All Related Party Transactions identified under the Companies Act, 2013 shall require prior approval of the Audit Committee. For identification of the Related Parties, the Secretarial Function shall prepare/ update a Related Parties list/ register/ information and shall flow the details / MOIs or changes in corporate or investment structure, as informed from time to time. Each director and Key Managerial Personnel shall be responsible for providing notice to the Board or Audit Committee of any potential Related Party Transactions involving him or her or his or her relation, including any additional information about the transaction that the Board/Audit Committee may reasonably request. The Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction and approve or reject such transaction.

Director's Approval

The Audit Committee may grant or withhold approval, on an annual basis, for Related Party Transactions consistent to be entered into by the Company subject to the following conditions:

(i) The Audit Committee shall lay down the criteria for granting the approval, and such approval shall be applicable in respect of transactions which are repetitive in nature.

(ii) The Audit Committee shall satisfy itself that the need for such approval and that such approval is in the interest of the Company.

(iii) Such approval shall specify (i) the terms of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit.

Discretion approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company and/or any other transaction the Audit Committee may deem not fit for a resolution approval.

Review and Approval of Related Party Transactions

Related Party Transactions are referred to the next regularly scheduled meeting of the Audit Committee for review, finding and/or approval as above.

Nonwithstanding the foregoing, the following Related Party Transactions that not require approval of Audit Committee:

- a. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business;
- b. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

In any case, where the Audit Committee determines not to ratify a Related Party Transaction that has been consummated without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.

a. Names of related parties identified in accordance with IND AS-24 are given below:

1. Entities where control exists

Holding company

2. Fellow subsidiaries

3. Companies with Common Shareholding

Movie Technologies Pvt Ltd

ICDA Analytics Private Limited

Treasure Finance Private Services Private Limited

Servus Digital Services Private Limited

Wishus Invest Private Limited

Paradiso Digital Limited

Wishus Invest Private Limited

Midstream Industries Limited

PHS Capital Services Limited

PHS Capital Services Limited

Starb Sports Private Limited (Strike off as on 31-03-2024)

Indusara Digital Studio LLP

4. Key Managerial Personnel

Managing Director

Director

Company Secretary

Chief Financial Officer (CFO)



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Alira Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amounts in Rs. 'Lacs, unless stated otherwise)

Transactions with the key management personnel during the year:	Particulars	Nature of transaction	As at Mar 31, 2024	As at Mar 31, 2023
Monthly Agreements to other		Managerial remuneration in reimbursement of expenses	41.25	33.05
			4.10	0.40
Two Year Agreement with keying Director		Managerial remuneration	40.25	49.43
			7	7
			-	-
One Year Agreement with keying Director		Director Salary Other Professional Fees	-	1.50
			-	0.95
Interim Director Remuneration (Not Independent/Non-Executive Director)		Directors sitting fees Reimbursement of expenses	-	2.25
			13.33	15.80
			-	0.30
Other (Independent/Non-Executive Director)		Directors sitting fees Reimbursement of expenses	31.13	35.81
			12.75	5.08
			-	8.36
Other (Independent/Non-Executive Director)		Directors sitting fees	12.25	9.30
			30.75	24.33
Other (Independent/Non-Executive Director)		Directors sitting fees	12.25	14.25
			-	6.69
Other (Independent/Non-Executive Director)		Managerial remuneration	-	6.69
			35.43	12.81
Other (Independent/Non-Executive Director)		Managerial remuneration Reimbursement of expenses	0.04	9.01
			35.48	31.71
Other (Independent/Non-Executive Director)		Managerial remuneration	35.41	-
			35.41	-

Other Information: Not Applicable



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Aluma Capital Advisors Private Limited  
 Notes to the Financial Statements for the year ended March 31, 2024  
 (all amounts in Rs. in Lakhs, unless stated otherwise)

Balance sheet ending at 31st March	Name of related party	Balance	As at Mar 31, 2023	As at Mar 31, 2022
Notes Technology Pvt. Ltd.	Notes Technology Pvt. Ltd.	Amount loan received from Notes Technology Company (TSC) Ltd. Interest Payable on Term Loan Equity Capital Share Premium Balance	28,398.24 326.16 51,299.37 15,095.27	24,104.09 344.89 37,055.82 13,551.80
ODF Analytics Private Limited	ODF Analytics Private Limited	Trade Commission Expenses Payable Interest on Loan Receivable Loan Disbursement and collection through intermediaries	493.73	13.61
Transact Finance International Service Private Limited	Transact Finance International Service Private Limited	Interest on Loan Receivable Provision against loan	-	1,346.89 10.30

\* The balance of TSC as on 31 March, 2024 is subject to audit opinion of Rs. 762.82 Lakhs (31st March, 2023-24)

Report independently by BSR



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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**37 Disclosure in respect of Indian Accounting standard [Ind AS]-116 "Leases"**

**a) Description of lease accounted as Right of Use assets as per Ind AS 116**

The company has lease contracts for Vehicle taken on lease. The lease terms is 3 years. The Company has applied the measurement principles under Ind AS 116 for the leases.

**b) The carrying amounts of right-to-use assets recognized and the movements during the period are as follows:**

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	-	-
Additions made during the year	19.29	-
Depreciation charge for the year	(6.43)	-
Deletion made during the year	-	-
Balance at the end of the year	12.86	-

**c) The carrying amounts of lease liabilities and the movements during the period are as follows:**

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	-	-
Additions made during the year	19.29	-
Interest accretion for the year	2.35	-
Payments made during the year	7.91	-
Deletion made during the year	-	-
Balance at the end of the year	13.73	-

**d) The following are the amounts recognized in profit and loss :**

Particulars	March 31, 2024	March 31, 2023
Depreciation expense in respect of right-to-use asset	6.43	-
Interest expense in respect of lease liabilities	2.35	-
Expense relating to short-term leases (Included on other expenses)	-	-
Amount relating to equalization reserve	-	-
Total amount recognized in profit or loss	8.78	-

**e) Maturity Analysis of Lease Liability**

Tenure	Balance as on 31-03-2024	Balance as on 31-03-2023
<1 Year	6.39	-
1-2 Years	7.34	-
Total	13.73	-



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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**Note 38 Credit Quality of assets**

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Details of companies risk assessment model are explained in Note 55.

**38.1 Loan Books**

An analysis of risk categorisation, changes in gross carrying amount and the corresponding ECL allowances

**38.1.1 Analysis of risk categorisation**

Particulars	March 31, 2024			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount	1,22,947.61	16,858.28	7,322.87	1,47,128.75
Less: Impairment Loss Allowance *	2,479.98	3,194.99	4,074.81	9,749.78
Net Carrying Amount	1,20,467.63	13,663.28	3,248.06	1,37,378.97

Particulars	March 31, 2023			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount	93,903.90	8,722.92	9,767.43	1,12,394.25
Less: Impairment Loss Allowance *	1,183.00	2,056.94	1,505.49	4,745.43
Net Carrying Amount	92,720.90	6,665.99	8,261.94	1,07,648.83

**38.1.2. Reconciliation of gross carrying amount is as follows:**

Particulars	March 31, 2024			
	Loan Books			
	Stage 1*	Stage 2	Stage 3	Total
Gross carrying amount as at April 01, 2023	93,903.90	8,722.92	9,767.43	1,12,394.25
New asset originated or purchased	4,08,438.42	-	-	4,08,438.42
Assets derecognised or repaid (excluding write offs)	(3,08,328.94)	(13,616.61)	(22,311.50)	(3,44,257.05)
Transfers from Stage 1	(71,065.78)	71,065.78	-	-
Transfers from Stage 2	-	(49,313.81)	49,313.81	-
Transfers from Stage 3	-	-	-	-
Amounts written off	-	-	(29,446.87)	(29,446.87)
Gross carrying amount as at March 31, 2024	1,22,947.60	16,858.29	7,322.87	1,47,128.75

Particulars	March 31, 2023			
	Loan Books			
	Stage 1*	Stage 2	Stage 3	Total
Gross carrying amount as at April 01, 2022	46,368.59	2,922.08	2,066.90	51,357.57
New asset originated or purchased	2,07,715.72	-	-	2,07,715.72
Assets derecognised or repaid (excluding write offs)	(1,29,481.41)	(1,134.98)	(16,062.65)	(1,46,679.04)
Transfers from Stage 1	(30,699.00)	30,699.00	-	-
Transfers from Stage 2	-	(23,763.18)	23,763.18	-
Transfers from Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Gross carrying amount as at March 31, 2023	93,903.90	8,722.92	9,767.43	1,12,394.25

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Akara Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in Lakhs, unless stated otherwise)

38.1.3 Impairment allowance for loans to customers

Particulars	March 31, 2024			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 01, 2023	1,183.00	2,056.94	1,505.49	4,745.43
ECL remeasurement due to changes in EAD/ Credit Risk/ Assumptions (Net)	131.99	1,237.70	3,634.72	5,004.36
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	1,062.42	(1,062.42)	-	-
Transfers from Stage 3	102.63	962.77	(1,065.40)	-
Impairment allowance for loans to customers as at March 31, 2024	2,479.98	3,194.99	4,074.81	9,749.78

Particulars	March 31, 2023			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 01, 2022	46.37	35.06	46.96	128.39
ECL remeasurement due to changes in EAD/ Credit Risk/ Assumptions (Net)	121.72	1,141.91	3,353.41	4,617.04
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	832.38	(832.38)	-	-
Transfers from Stage 3	182.53	1,712.35	(1,894.88)	-
Impairment allowance for loans to customers as at March 31, 2023	1,183.00	2,056.94	1,505.49	4,745.43

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**39. Analytical Ratios:**

	Denominator	As at March 31, 2024	As at March 31, 2023	% variance	Reason for Variance
<b>1. CRAR (Excluding Off-Balance Sheet Items*)</b>					
a) Capital to risk-weighted assets ratio (CRAR)	Risk Weighted Assets	31.05%	28.97%	2.05%	Due to increase in Other Equity of the company as compared to previous
b) Tier I CRAR Tier-I Capital	Risk Weighted Assets	30.40%	27.72%	2.68%	Due to increase in Other Equity of the company as compared to previous
c) Tier II CRAR Tier-II Capital	Risk Weighted Assets	1.25%	1.25%	0.00%	N/A
<b>2. CRAR (Including Off-Balance Sheet Items*)</b>					
a) Capital to risk-weighted assets ratio (CRAR)	Risk Weighted Assets	31.44%	28.97%	2.47%	Due to increase in Other Equity of the company as compared to previous
b) Tier I CRAR Tier-I Capital	Risk Weighted Assets	30.30%	27.72%	2.48%	Due to increase in Other Equity of the company as compared to previous
c) Tier II CRAR Tier-II Capital	Risk Weighted Assets	1.28%	1.25%	-0.01%	N/A

**Notes:**

- \* Off-Balance Sheet Items include PLDO provided by Company to its Co-lenders, Liability towards forex hedge to the extent not provided for in Books and contingent liabilities as disclosed in Note No. 52.
- Total risk-weighted assets represents the weighted average of funded and non-funded items after applying the risk weights as assigned by the RBI. Tier I capital means owned funds as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances, including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund. Tier II capital includes preference share capital, revaluation reserves, general provisions and loss reserves, hybrid debt capital instruments and subordinate debts to the extent the aggregate does not exceed Tier I capital.
- Risk weighted assets for FY 2022-23 have been restated due to change in risk weight of Loans & Advances from 100% to 125% during FY 2023-24.

**39. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Refer Significant Accounting Policies-3.3.3 for more details on fair value hierarchy

**Financial instrument by category**

**As at 31.03.2024**

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
<b>Financial Assets</b>					
Cash and Cash Equivalents	2,116.15	-	-	-	2,116.15
Bank balances other than above	1,670.11	-	-	-	1,670.11
Trade Receivables	664.09	-	-	-	664.09
Loans	1,42,052.21	-	-	-	1,42,052.21
Investments	-	-	-	-	-
Other financial assets	2,957.89	-	-	-	2,957.89
<b>Total Financial assets</b>	<b>1,49,400.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,49,400.44</b>
<b>Financial liabilities</b>					
Derivative financial instruments	-	-	-	86.11	86.11
Trade payables	1,166.18	-	-	-	1,166.18
Debt Securities	57,390.17	-	-	-	57,390.17
Borrowings (Other than debt securities)	70,132.31	-	-	-	70,132.31
Other financial liabilities	1,486.57	-	-	-	1,486.57
<b>Total Financial liabilities</b>	<b>90,097.34</b>	<b>-</b>	<b>-</b>	<b>86.11</b>	<b>90,183.44</b>

**As at 31.03.2023**

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
<b>Financial Assets</b>					
Cash and Cash Equivalents	17,737.13	-	-	-	17,737.13
Bank balances other than above	30,974.70	-	-	-	30,974.70
Trade Receivables	4,481.08	-	-	-	4,481.08
Loans	1,08,942.56	-	-	-	1,08,942.56
Investments	82.04	-	-	-	82.04
Other financial assets	1,487.72	-	-	-	1,487.72
<b>Total Financial assets</b>	<b>1,41,605.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,41,605.84</b>
<b>Financial liabilities</b>					
Derivative financial instruments	-	-	-	-	-
Trade payables	533.65	-	-	-	533.65
Debt Securities	32,482.13	-	-	-	32,482.13
Borrowings (Other than debt securities)	66,735.50	-	-	-	66,735.50
Other financial liabilities	1,265.84	-	-	-	1,265.84
<b>Total Financial liabilities</b>	<b>3,05,498.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,05,498.12</b>



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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**Valuation governance framework**

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product/initiatives (including their valuation methodologies) are subject to approval by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices of observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values:

- Trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other financial assets, borrowings, trade payables and other financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Borrowings taken by the Company are as per the Company's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

Particulars	Level	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>					
Loans	3	1,42,052.23	1,42,052.23	1,06,942.56	1,06,942.56
Investments	3	-	-	82.04	82.04
Other financial assets	3	2,957.89	2,957.89	1,467.72	1,467.72
<b>Total financial assets</b>		<b>1,45,010.12</b>	<b>1,45,010.12</b>	<b>1,08,492.32</b>	<b>1,08,492.32</b>
<b>Financial Liabilities</b>					
Derivative financial instruments	3	88.11	88.11	-	-
Debt Securities	3	17,390.17	17,390.17	32,482.13	32,482.13
Borrowings (Other than debt securities)	3	70,132.31	70,132.31	66,136.10	66,226.09
Other financial liabilities	3	1,448.57	1,448.57	1,765.84	1,765.84
<b>Total financial liabilities</b>		<b>89,058.16</b>	<b>89,058.16</b>	<b>99,384.07</b>	<b>99,674.16</b>

**42 Maturity analysis of Assets and Liabilities**

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	2,116.15	-	2,116.15	17,737.13	-	17,737.13
Bank balances other than cash and cash equivalents	1,670.11	-	1,670.11	30,076.79	-	30,076.79
Receivable	-	-	-	-	-	-
-Trade Receivable	-	-	-	3,294.07	-	3,294.07
-Other Receivables	566.06	-	566.06	1,167.62	-	1,167.62
Loans	1,09,630.83	32,421.18	1,42,052.01	88,470.99	18,471.57	1,06,942.56
Investments	-	-	-	82.04	-	82.04
Other financial assets	71.71	2,886.18	2,957.89	1,140.87	286.85	1,427.72
<b>Non-financial assets</b>						
Current tax assets (net)	-	-	-	-	-	-
Deferred tax assets (net)	-	2,609.19	2,609.19	-	-	-
Fixed Assets	-	12.86	12.86	-	-	-
Intangible assets under development	-	12.50	12.50	37.37	13.60	50.97
Other intangible Assets	-	872.15	872.15	-	1,503.49	1,503.49
Other non-financial assets	79.20	-	79.20	132.17	-	132.17
<b>TOTAL ASSETS</b>	<b>1,14,234.05</b>	<b>38,812.31</b>	<b>1,53,046.36</b>	<b>1,32,076.95</b>	<b>30,274.41</b>	<b>1,62,351.37</b>
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative Financial Instruments	88.11	-	88.11	-	-	-
Payables	-	-	-	-	-	-
(i) Trade Payables	-	-	-	-	-	-
(ii) total outstanding dues of micro enterprises and small enterprises	70.51	-	70.51	30.68	-	30.68
(iii) total outstanding dues of creditors other than micro	1,051.77	-	1,051.77	473.98	-	473.98
Debt Securities	17,390.17	-	17,390.17	26,742.64	7,739.49	34,482.13
Borrowings (other than Debt Securities)	36,688.04	33,443.47	70,131.51	35,096.04	31,137.87	66,233.91
Other financial liabilities	1,448.57	-	1,448.57	1,765.84	-	1,765.84
<b>Non financial liabilities</b>						
Provisions	507.84	44.99	552.83	396.66	13.10	409.76
Deferred tax liabilities (net)	-	-	-	-	290.38	290.38
Other Non-financial liabilities	-	-	-	-	-	-
Current tax liabilities (net)	1,031.32	-	1,031.32	1,062.30	-	1,062.30
<b>Total Liabilities</b>	<b>65,381.18</b>	<b>33,488.46</b>	<b>98,869.64</b>	<b>63,019.42</b>	<b>89,384.07</b>	<b>1,52,403.49</b>
<b>Equity</b>						
Equity share capital	-	31,300.40	31,300.40	-	27,055.93	27,055.93
Other equity	-	27,677.45	27,677.45	-	14,063.90	14,063.90
<b>Net Assets</b>	<b>48,852.87</b>	<b>5,323.85</b>	<b>54,176.72</b>	<b>69,057.53</b>	<b>(18,817.33)</b>	<b>50,240.20</b>



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**Alans Capital Advisers Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**42. Expenditure in Foreign Currency**

Particulars	March 31, 2024	March 31, 2023
Expenditure in Foreign Currency	2,632.42	1,022.12

The expenditure in foreign currency is an account of interest expense paid on foreign loan from Holding Company.

43. "No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

"No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

44. With regard to the new amendments under "Division II of Schedule III" under "Part II - Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" :-  
 (i) The company do not possess any immovable property as on March 31st, 2024 and March 31st 2023.  
 (ii) The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 550 of Companies Act, 1956, during the year ended March 31, 2024 but have incurred transaction during the year ended March 31, 2023.

Name of Struck off Company	Nature of Transaction with Struck Off Company	Transaction Value for the period ended March 31, 2024	Balance Outstanding as on March 31, 2024	Transaction Value for the period ended March 31, 2023	Balance Outstanding as on March 31, 2023	Relationship with the Struck off Company, if any, to be disclosed
Stash Payments Private Limited	Payables	-	-	10.32	-	Company with Common Directorship

(i) The Company does not have any charges which is yet to be registered with ROC beyond the statutory period during the year ended March 31, 2024 and March 31, 2023. For Satisfaction of charges all the forms were timely filed except for 16 Matured Loan facilities as on March 31, 2023 and 26 Matured Loan facilities as on March 31, 2024 due to delay in obtaining No Objection Certificate (NOC) from the lenders.

(ii) The Company have not traded or invested in Crypto currency or virtual currency during the year ended March 31, 2024 and March 31, 2023.

(a) The Company has not been declared "whirl defaulter" by any bank or financial institution or other lender during the year ended March 31, 2024 and March 31, 2023.

(ii) There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2024 and 31 March 2023, in the tax assessments, search or survey or any other relevant proceedings under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2024 and 31 March 2023.

(iii) Utilization of Borrowed funds and share premium:

During the year, the company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

During the year, the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iii) The company possess intangible assets under development amounting to Rs. 17.58 Lakhs (March 31, 2023: Rs. 49.87 Lakhs) as disclosed in note no 9.

(iv) The company does not possess any capital work in progress during the year.

45. With regard to the new amendments under "Division II of Schedule III" under "Part II - Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" there are no transactions that are required to be disclosed with regard to the following clauses 11(v) and 11(vi) for the Company.

46. Compliance with Approved Schemes of Arrangements.

The company has not sponsored any Schemes or Arrangement in terms of section 230 to 237 of the Companies Act 2013 during the year ended 31st March 2024 and 31st March 2023.

47. Title Deeds of Immoveable Properties not Held in The name of The Company

The company does not own any immovable property as on 31st March 2024 and 31st March 2023. All the lease agreements are duly executed in favor of the company for building and office premises where the company is the Lessee.

48. Compliance with Number of Layers of The Company :-

The company has complied with the numbers of layers prescribed under clause 67 of Section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

49. The Company has availed loans from banks and financial institutions on the basis of security of current assets/book debts during the year ended 31 March 2024 and 31 March 2023.

Quarterly submissions of book debts of the value of assets hypothecated are submitted with the banks and financial institutions, with this respect.

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

59 Disclosures in Terms Of Master Direction – Reserve Bank Of India ( Non-Banking Financial Company – Scale Based Regulatory) (Circular, 2023 Dated 15.10.23 (As Amended))

**A. Resolution plans implemented by the Company**

Year Ended	No of Borrower	Principal Outstanding at Year End	Requirement allowance as per DCL
March 31, 2024		Nil	
March 31, 2023		Nil	

**B. Capital**

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR:		
CRAR- Tier 1 Capital (%)	21.61%	23.77%
CRAR- Tier 2 Capital (%)	80.00%	77.72%
CRAR- Tier 3 Capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier-3 Capital (Rs in Lakhs)	-	-
Amount Raised by issue of Perpetual Debt Instruments	-	-

Note: 1. The above calculation are exclusive of Off balance Sheet Items

2. Risk weighted assets for FY 2023-24 have been restated due to change in risk weight of Loans & Advances from 100% to 110% during FY 2023-24.

**C. Investments**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A.1. Value of Investments</b>		
(i) Gross Value of Investments		
(a) In India	0.00	82.04
(b) Outside India	0.00	0.00
(ii) Provisions for Depreciation		
(a) In India	0.00	0.00
(b) Outside India	0.00	0.00
(iii) Net Value of Investments		
(a) In India	0.00	82.04
(b) Outside India	0.00	0.00
<b>A.2. Movement of provisions held towards depreciation on investments</b>		
(i) Opening balance	0.00	0.00
(ii) Add: Provisions made during the year	0.00	0.00
(iii) Less: Write off/write back of excess provisions during the year	0.00	0.00
(iv) Closing balance	0.00	0.00

**D. Derivatives**

**D.1 Forward Rate Agreement/Interest Rate Swap**

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NRIK upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

**D.2 Exchange Traded Interest Rate (IR) Derivative- Nil**

**D.3 Disclosures on Risk Exposure in Derivatives**

**(i) Qualitative Disclosure**

a. The company (entirety) is not exposed to market risks including foreign exchange fluctuations and other assets liability mismatches.

b. The company is taking active action for protection against exchange fluctuation risk by adopting hedging instrument on case-to-case basis. In this regard, during the year ended 31.03.2024, the company has entered into Forward contract with Federal Bank with respect to One ECB Tranche.

**(ii) Quantitative Disclosure**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount) For hedging (INR)	1,30,00,000.00	-	-	-
Value* (Rs in Lakhs)	6,115.36	-	-	-
(ii) Marked-to-Market Positions	-	-	-	-
(iii) Assets (A)	-	-	-	-
(iv) Liabilities (L)	(66.13)	-	-	-
(v) Credit Exposure	-	-	-	-
(vi) Unmarked Exposures	22,968.75	-	24,193.43	-

\*Notional Principal indicates deal amount outstanding in foreign currency converted into INR terms using RBI reference rate for the closing dates.



**Altare Capital Advisors Private Limited**  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amounts in Rs. in Lakhs, unless stated otherwise)

**Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) - as on 31st March 2024**

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/21 days	Over one month upto 2 months	Over 2 months upto 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	1,027.98	-	-	-	351.31	-	-	-	2,011.27
Advances*	21,315.91	1,033.63	5,274.11	11,020.74	11,297.43	30,865.27	32,368.89	52.89	-	1,51,233.18
Investments	-	-	-	-	-	-	-	-	-	-
Borrowings	1,115.02	1,062.39	4,915.63	8,498.01	7,009.29	13,265.97	11,804.48	1,141.37	-	48,811.13
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	38,208.37

\*The amount of Advances includes Accrued Interest on such advances.

\*\*The amount of Foreign Currency Liability includes Reserves on such advances.

**Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) - as on 31st March 2023**

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/21 days	Over one month upto 2 months	Over 2 months upto 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	122.96	301.41	6,052.84	4,022.07	235.68	-	-	15,335.21
Advances*	-	-	27,077.95	9,692.05	19,141.67	30,560.38	14,449.40	21.79	0.19	1,11,272.37
Investments	-	-	-	-	-	87.04	-	-	-	87.04
Borrowings	872.26	671.84	3,690.17	6,673.65	14,354.11	23,371.69	14,884.17	-	-	74,881.52
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	24,191.19

\*The amount of Advances includes Accrued Interest on such advances.

\*\*The amount of Foreign Currency Liability includes Reserves on such advances.

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- P. Expenses**  
**P.1. Expenses to Non-Related Parties**  
 The company does not incur any expenses to or from related parties as at March 31, 2018. See (Particulars not applicable)
- P.2. Expenses to Related Parties**  
 The company does not incur any expenses to or from related parties as at March 31, 2018. See (Particulars not applicable)
- P.3. Interest Expenses**

Sectors	Total as at March 31, 2018		Total as at March 31, 2017		Percentage of Gross WPA to total exposure in that sector	Expenses (includes an interest and off-balance sheet expenses) (₹ crore)	Gross WPA	Expenses (includes an interest and off-balance sheet expenses) (₹ crore)	Percentage of Gross WPA to total exposure in that sector	Netting of Gross WPA to total exposure in that sector
	₹ crore	(₹ crore)	₹ crore	(₹ crore)						
1. Agriculture and allied activities	-	-	-	-	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-	-	-	-	-
3. Services	-	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-	-
Total of Personal loans (Others)	1,45,596.81	7,320.87	1,45,126.81	7,320.87	9.42%	1,45,596.81	7,320.87	1,45,126.81	9.42%	9.42%
Total of Personal loans (Others)	1,45,596.81	7,320.87	1,45,126.81	7,320.87	9.42%	1,45,596.81	7,320.87	1,45,126.81	9.42%	9.42%
Others, if any (please specify)	-	-	-	-	-	-	-	-	-	-

- P.4. Interest Expenses**  
 Following are the details pertaining to interest expenses:

Particulars	As at March 31, 2018	As at March 31, 2017
Total interest on all types of loans	-	-
Total interest on all types of deposits	-	-
Total interest on all types of other financial instruments	-	-
Percentage of interest expenses to total expenses of the bank on banking operations	-	-

- P.5. Other Interest Expenses**  
 The bank does not incur any interest expenses on other financial instruments.



Page No. 10 of 10



G.1 Details of Grade Surveys Used: NAEP (National Assessment of Educational Progress) and NAEP (National Assessment of Educational Progress) conducted by the applicable NSRF.

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Year	Number of cases
2000	10
2001	15
2002	20
2003	25
2004	30
2005	35
2006	40
2007	45
2008	50
2009	55
2010	60
2011	65
2012	70
2013	75
2014	80
2015	85
2016	90
2017	95
2018	100
2019	105
2020	110
2021	115
2022	120
2023	125
2024	130
2025	135
2026	140
2027	145
2028	150
2029	155
2030	160
2031	165
2032	170
2033	175
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2035	185
2036	190
2037	195
2038	200
2039	205
2040	210
2041	215
2042	220
2043	225
2044	230
2045	235
2046	240
2047	245
2048	250
2049	255
2050	260
2051	265
2052	270
2053	275
2054	280
2055	285
2056	290
2057	295
2058	300
2059	305
2060	310
2061	315
2062	320
2063	325
2064	330
2065	335
2066	340
2067	345
2068	350
2069	355
2070	360
2071	365
2072	370
2073	375
2074	380
2075	385
2076	390
2077	395
2078	400
2079	405
2080	410
2081	415
2082	420
2083	425
2084	430
2085	435
2086	440
2087	445
2088	450
2089	455
2090	460
2091	465
2092	470
2093	475
2094	480
2095	485
2096	490
2097	495
2098	500
2099	505
2100	510

FIG. 1. Estimated  $\Delta$  based on the 1997–1998 data. The 1997–1998 data were used to estimate  $\Delta$  for the 1998–1999 season.

Start of Group Exposure ascending (0/0/0 to 2/2/2, 3/3/3)	
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Two *Acridothera* / *Dendrocygna* flocks as on March 31, 2008 at 10:10 AM, 79 Laine

List of Group Logarithms extending until $n = 1000$	
$n$	$\log n$
1	0.000000
2	0.301030
3	0.477121
4	0.602060
5	0.698970
6	0.778151
7	0.845098
8	0.903090
9	0.954243
10	1.000000
11	1.041393
12	1.079181
13	1.113943
14	1.146128
15	1.176091
16	1.204120
17	1.230449
18	1.255273
19	1.279212
20	1.302131
21	1.324087
22	1.345058
23	1.365055
24	1.385000
25	1.404913
26	1.424794
27	1.444643
28	1.464460
29	1.484254
30	1.504025
31	1.523772
32	1.543495
33	1.563194
34	1.582868
35	1.602517
36	1.622141
37	1.641740
38	1.661313
39	1.680861
40	1.700384
41	1.719882
42	1.739354
43	1.758801
44	1.778222
45	1.797617
46	1.816986
47	1.836329
48	1.855646
49	1.874936
50	1.894200
51	1.913438
52	1.932650
53	1.951836
54	1.970996
55	1.990130
56	2.009239
57	2.028322
58	2.047380
59	2.066413
60	2.085421
61	2.104404
62	2.123362
63	2.142295
64	2.161203
65	2.180086
66	2.198944
67	2.217777
68	2.236585
69	2.255368
70	2.274126
71	2.292859
72	2.311567
73	2.330250
74	2.348908
75	2.367541
76	2.386149
77	2.404732
78	2.423290
79	2.441823
80	2.460331
81	2.478814
82	2.497272
83	2.515705
84	2.534113
85	2.552496
86	2.570854
87	2.589187
88	2.607495
89	2.625778
90	2.644036
91	2.662269
92	2.680477
93	2.698660
94	2.716818
95	2.734951
96	2.753059
97	2.771142
98	2.789200
99	2.807233
100	2.825241

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16.3 Regulation obtained from other financial sector regulators

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H.1 There will be no CH retained through 2020, measured by the Company.

Disclosures are all thoughtful informed by the Reserve Bank and other regulators

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1. Summary information on complaints received by the company from its Shareholders

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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Sl. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
---------	-------------	---------------------------	---------------------------

100

Sl. No.	Particulars	31st March 2024	31st March 2024
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**Akara Capital Advisory Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amounts in ₹, in Lakhs, unless stated otherwise)

The following grounds of complaints received by the MFIs from customers:

Grounds of complaints, i.e. complaints relating to:	Number of complaints pending at the beginning of the year	Number of complaints resolved during the year	% Increase/ decrease in the number of complaints resolved over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>31st March 2023<sup>a</sup></b>					
Loan and Advances	45	35,221	% Decrease 33.55%	147	11
Difficulty in operation of accounts	45	2,114	% Decrease 12%	55	4
TOTAM	90	36,335		202	15
<b>31st March 2022</b>					
Loan and Advances	54	30,148	94%	46	2
Difficulty in operation of accounts	3	1,861	95%	49	-
TOTAM	57	31,009		95	2

<sup>a</sup> The percentage increase in the response rate based on two grounds, i.e., only two grounds for complaint are being reported.

<sup>b</sup> There were no complaints received by the company as on 31.03.2022 hence, the change from 31.03.2022 to 31.03.2023 has not been calculated.

**8. Ratings assigned by Credit Rating Agencies and migration of ratings during the year**

Instrument	Rating Agency	Year ended March 31, 2024	Year ended March 31, 2023	Rating Action
Non-convertible Debentures	ICRA	67,600	67,600	Stable (Rating reaffirmed)
Market Linked Debentures	India Ratings and Research	30,000	NA	NA (NA Rating)
Long term Fund Based - Term loan	ICRA	-	8,000	Stable (Rating downgraded, Reaffirmed and withdrawn)
Long term Fund Based - Term loan	ICRA	12,500	12,500	Stable (Rating reaffirmed)
Long term Fund Based - Term loan	ICRA	1,500	1,500	Stable (Rating reaffirmed)
Commercial paper	ICRA	8,000	8,000	Stable (Rating reaffirmed)
Bank loan	India Ratings and Research	3,000	NA	NA (NA Rating)
<b>Total</b>		<b>8,44,600</b>	<b>89,600</b>	

Note: ICRA: The ratings are based on rating reaffirmed and withdrawn for market linked debentures as on August 10, 2023.

Note: India Ratings and Research: The ratings are based on rating report as on March 14, 2024.

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**Alara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**1. Concentration of Deposits, Advances, Expenses and NPAs**

**L1 Concentration of Advances**

Particulars	As at March 31, 2024	As at March 31, 2023
Total Advances to twenty largest borrowers/customers	93.00	75.66
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.00%	0.00%

**L2 Concentration of Exposures**

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers/customers	170.34	194.94
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.12%	0.15%

**L3 Concentration of NPAs**

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top four NPA accounts	30.44	25.82

**L4 Sector-wise NPAs**

Sector	As at March 31, 2024		As at March 31, 2023	
	Amount	Percentage of NPAs to Total Advances	Amount	Percentage of NPAs to Total Advances
Agriculture and allied activities	0	0%	0	0%
MSME	0	0%	0	0%
Corporate borrowers	0	0%	0	0%
Services	0	0%	0	0%
Unsecured personal loans	0	0%	0	0%
Auto loans	0	0%	0	0%
Other personal loans	7327.87	4.58%	9,767.43	8.03%

**L5 Movement of NPAs**

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Net NPAs to Net Advances (N)	2.77%	2.85%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	9,767.43	9,662.08
(b) Additions during the year	33,987.91	15,235.94
(c) Reductions during the year	36,232.53	7,525.30
(d) Closing balance	7,322.81	9,767.43
(iii) Movement of Net NPAs		
(a) Opening balance	8,351.94	3,628.04
(b) Additions during the year	31,218.55	13,772.31
(c) Reductions during the year	36,232.53	7,525.30
(d) Closing balance	3,347.96	8,164.93
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,505.45	45.96
(b) Provisions made during the year	2,569.32	1,156.53
(c) Writing off/write back of excess provisions	-	-
(d) Closing balance	4,074.81	1,505.45

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**M. Public disclosure on liquidity risk**

**(i) Funding Concentration based on significant counterparty borrowings**

S. No.	Period	Number of Significant Counter Parties*	Amount (in INR Lakhs)	% of Total Deposits	% of Total Liabilities
1	As at March 31, 2024	17	71,029.56	N/A	29.00%
2	As at March 31, 2023	21	86,755.76	N/A	37.04%

**Note:**

1. A "Significant counterparty" is defined as a single counterparty or group of associated or affiliated counterparties amounting in aggregate for more than 1% of the Company's total liabilities.
2. Total Liabilities has been computed as Total Assets Less Equity Share Capital and Reserve & Surplus.

**(ii) Top 10 large deposits (amount in ₹ crore and percent of total deposits)**

N/A

**(iii) Top 10 borrowings (amount in ₹ Lakhs and percent of total borrowings)**

Sr No.	Period	Amount (in INR Lakhs)	% of Total Borrowings
1	As at March 31, 2024	65,473.02	79.25%
2	As at March 31, 2023	68,071.17	68.85%

**(iv) Funding Concentration based on significant instrument/product**

As at March 31, 2024

Sr No.	Name of the instrument/product	Amount (₹ Lakhs)	% of Total Liabilities
1	ECB	38,786.25	40.55%
2	Term Loan Other	15,435.42	17.32%
3	Non-Convertible Debentures	17,463.93	18.85%
4	Term Loan Bank	2,537.65	3.32%
5	Commercial Paper	2,000.00	3.32%
6	ICD	1,240.16	1.44%
	<b>Total</b>	<b>87,563.38</b>	

As at March 31, 2023

Sr No.	Name of the instrument/product	Amount (₹ Lakhs)	% of Total Liabilities
1	Term Loan - Bank	4,000.47	4.52%
2	ECB	24,291.18	29.67%
3	ICD	2,080.40	2.82%
4	Term Loan	32,137.85	31.47%
5	WCDA	2,500.00	2.85%
6	Non-Convertible Debentures	22,309.40	21.65%
	<b>Total</b>	<b>89,799.30</b>	

A "significant instrument/product" is defined as a single instrument/product or group of similar instruments/products which in aggregate amount to more than 3% of the Company's total liabilities.

**Note:**

**(a) Stock Ratios:**

	As at March 31, 2024	As at March 31, 2023
Total Borrowings (Public Funds)	87,563.38	98,755.76
Total Liabilities	89,799.30	1,00,281.56
Total Assets	1,53,698.42	1,49,551.37

**(b) Commercial papers as a percent of total public funds, total liabilities and total assets**

	As at March 31, 2024	As at March 31, 2023
Non Total Borrowing (Public Funds)	1.32%	-
Non Total Liability	1.32%	-
Non Total Assets	1.35%	-

**(c) Non-convertible debentures (maturity of less than one year) as a percent of total public funds, total liabilities and total assets**

	As at March 31, 2024	As at March 31, 2023
Non Total Borrowing (Public Funds)	-	-
Non Total Liability	-	-
Non Total Assets	-	-

**(d) Other short-term liabilities, if any as a percent of total public funds, total liabilities and total assets**

	As at March 31, 2024	As at March 31, 2023
Short-term liability	18.381.18	4370.83
Non Total Borrowing (Public Funds)	18.15%	4.50%
Non Total Liability	17.47%	4.24%
Non Total Assets	10.70%	3.02%

**(iv) Institutional set-up for liquidity risk management**

The Company has in place organizational set-up as directed in RBI regulations to decide the strategy, policies, and procedures of the Company to manage liquidity risk in accordance with the liquidity risk tolerance limits decided by it. The set-up includes the following bodies:

- A. **Board of Directors:** The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance limits decided by it from time to time.
- B. **Asset Liability Management Committee ("ALM Committee"):** The ALM Committee of the Board, consisting of Managing Director, shall be responsible for evaluating the liquidity risk. The Asset Liability Management Committee (ALMCO) consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC.  
 The role of the ALMCO with respect to liquidity risk includes, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, etc. structure, responsibilities, and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.  
 The ALM Support Group responsible for analyzing, monitoring and reporting the liquidity risk profile to the ALMCO.
- C. **Risk Management Committee:** It shall evaluate the overall risks faced by the Company including liquidity risk.



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**Akam Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**B. Comparison of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and Impairment Allowance as per Ind AS 309 'Financial Instruments'**

For the year ended March 31, 2024

Asset Classification as per norms of the Reserve Bank	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=6-5
<b>Performing Assets</b>						
Standard	Stage 1	1,22,947.61	2,475.38	1,20,472.23	491.79	1,988.18
	Stage 2	55,818.28	2,154.09	53,664.19	67.47	5,117.56
<b>Subtotal for Performing Assets</b>		<b>1,78,765.89</b>	<b>4,629.47</b>	<b>1,74,136.42</b>	<b>559.26</b>	<b>5,215.74</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	9,322.87	4,074.81	5,248.06	732.29	5,947.51
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>9,322.87</b>	<b>4,074.81</b>	<b>5,248.06</b>	<b>732.29</b>	<b>5,947.51</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1 Stage 2 Stage 3	- - -	- - -	- - -	- - -	- - -
<b>Subtotal for Other Items</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1 Stage 2 Stage 3 Total	1,22,947.61 55,818.28 7,322.87 1,86,088.75	2,475.38 2,154.09 4,074.81 8,699.88	1,20,472.23 53,664.19 3,248.06 1,77,378.97	491.79 67.47 732.29 1,291.51	1,988.18 5,117.56 3,248.52 8,414.27

For the year ended March 31, 2023

Asset Classification as per norms of the Reserve Bank	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=6-5
<b>Performing Assets</b>						
Standard	Stage 1	95,802.96	1,188.00	94,614.96	275.62	807.38
	Stage 2	5,722.52	1,056.94	4,665.58	34.89	2,622.05
<b>Subtotal for Performing Assets</b>		<b>1,01,525.48</b>	<b>2,244.94</b>	<b>99,280.54</b>	<b>310.51</b>	<b>2,639.43</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	8,762.43	1,565.49	7,196.94	926.74	528.73
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>8,762.43</b>	<b>1,565.49</b>	<b>7,196.94</b>	<b>926.74</b>	<b>528.73</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1 Stage 2 Stage 3	- - -	- - -	- - -	- - -	- - -
<b>Subtotal for Other Items</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1 Stage 2 Stage 3 Total	95,802.96 5,722.52 8,762.43 1,10,287.91	1,188.00 1,056.94 1,565.49 2,809.93	94,614.96 4,665.58 6,632.04 1,05,912.58	310.51 926.74 1,887.35	807.38 2,622.05 528.73 3,958.16



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**Keene Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amounts in Rs. in lakhs, unless stated otherwise)

**G. Loans to Directors, Senior Officers and Relatives of Directors**

Particulars	At 01 Mar 31, 2024	At 01 Mar 31, 2023
Directors and their relatives	-	-
Offices associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

**F. Details of financing of parent company products:**

Details of financing of parent company products during the year March 31, 2024 : Nil (March 31, 2023 : Nil)

**G. Details of transaction with non executive directors:**

Refer Note 25 for details

**H. Disclosures pursuant to RBI Notification - RBI/DO/2021-22/96 DOR,STN,REC 51/13,04/000/2021-22 dated September 24, 2021.**

**a. Details of transfer through assignment in respect of loans not in default**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Count of Loan Accounts Assigned	-	12,190.00
Amount of Loans assigned (₹ in lakhs)	-	2,050.88
Retention of beneficial economic interest (MRR)	-	30.00%
Weighted Average Maturity (Residual Maturity) (in years)	-	1.86
Weighted Average Holding Period (in years)	-	0.53
Coverage of long term assets coverage	-	-
Rating, risk distribution of rated loans	-	A- (SO) by ICRA

**b. Details of stressed loans transferred during the year**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Number of accounts	-	-
Aggregate principal outstanding of loans transferred (₹ in lakhs)*	-	-
Weighted average residual term of the loans transferred (in years)	-	-
Net book value of loans transferred (at the time of transfer) (₹ in lakhs)	-	-
Aggregate consideration (₹ in lakhs)	-	-
Additional consideration received in respect of accounts transferred in earlier years	-	-

\* Includes interest accrued, penal interest & other charges due from borrowers as included in the sale agreement.

**c. The Company has acquired below loan during the year**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Aggregate principal outstanding of loans acquired	-	-
Aggregate consideration paid	-	-
Weighted average residual term of loans acquired	-	-

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S. Information / Particulars as set out in Annex VII of Master Direction – Reserve Bank of India (Non Banking Financial Company – Scale Based Regulation) Directions, 2019

Particulars		Amount outstanding (Including Amount Overdue)
<b>Liabilities side</b>		
<b>Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>		
(a)	Debitures : Secured	17,390.17
(b)	Unsecured	-
(c)	Borrowed Funds	-
(d)	Term Loans	19,269.29
(e)	Inter-corporate loans and borrowing	1,348.46
(f)	Commercial Paper	3,000.00
(g)	Public Deposits	-
(h)	Other Loans - FOS	17,500.73
<b>Break-up of (d)(f) above [Outstanding public deposits inclusive of interest accrued thereon but not paid]:</b>		
(a)	In the form of Unsecured debentures	-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-
(c)	Other public deposits	-
<b>Assets side</b>		<b>Amount outstanding</b>
<b>Break-up of Loans and Advances including bills receivables [other than those included in (d) below]:</b>		
(a)	Secured	-
(b)	Unsecured	1,47,052.21
<b>Break-up of Lessor Assets and stock on hire and other assets accounting towards asset financing activities</b>		
(i)	Lease assets including lease rentals under sundry delivery:	
(a)	Financial Assets	-
(b)	Operating lease	-
(ii)	Stock on hire including hire charges under sundry delivery:	
(a)	Assets on hire	-
(b)	Repossessed Assets	-
(iii)	Other loans accounting towards asset financing activities	
(a)	Loans where assets have been repossessed	-
(b)	Loans other than (a) above	-
<b>Break-up of Investments</b>		
<b>Current Investments</b>		
(i)	Quoted	
(a)	Shares	
(i)	(a) Equity	-
(ii)	Preference	-
(b)	Debentures and Bonds	-
(c)	Units of mutual funds	-
(d)	Government Securities	-
(e)	Others (please specify)	-
(ii)	Unquoted	
(a)	Shares	
(i)	(a) Equity	-
(ii)	Preference	-
(b)	Debentures and Bonds	-
(c)	Units of mutual funds	-
(d)	Government Securities	-
(e)	Others (please specify)	-
(iii)	Short Term Deposits	2,011.22
<b>Long Term Investments</b>		
(i)	Quoted	
(a)	Share	
(i)	(a) Equity	-
(ii)	Preference	-
(b)	Debentures and Bonds	-
(c)	Units of mutual funds	-
(d)	Government Securities	-
(e)	Others (please specify)	-
(ii)	Unquoted	
(a)	Share	
(i)	(a) Equity	-
(ii)	Preference	-
(b)	Debentures and Bonds	-
(c)	Units of mutual funds	-
(d)	Government Securities	-
(e)	Others (please specify)	-



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Akara Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in lakhs, unless stated otherwise)

Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	-	3,47,052.21	3,47,052.21
<b>Total</b>	-	3,47,052.21	3,47,052.21
Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/ Break up at fair value or NAV		Book Value (Net of Provisions)
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	-	2,011.22	2,011.22
<b>Total</b>	-	2,011.22	2,011.22
Other Information			
	Particulars	Amount	
1 Gross Non-Performing Assets			
(a) Related parties			
(b) Other than related parties			1,322.87
2 Net Non-Performing Assets			
(a) Related parties			
(b) Other than related parties			1,248.96
(c) Assets acquired in satisfaction of debt			

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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amounts in Rs. in Lakhs, unless stated otherwise)**

Schedule to the Balance Sheet of Akara Capital Advisors Private Limited, as at March 31, 2023

Schedule to the Balance Sheet of Ovens Capital Advisors Private Limited, as at March 31, 2022

Particulars		Amount outstanding (Including Amount Overdue)
Liabilities side		
<b>Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>		
1	(a) Debentures - Secured	32,482.13
	(b) Unsecured	-
(c) Other than falling within the meaning of public deposits		-
2	(d) Deferred Credits	-
	(e) Term Loans	38,051.92
	(f) Inter-corporate loans and borrowing	2,505.39
	(g) Commercial Paper	-
	(h) Public Deposits	-
	(i) Other Loans ECB	28,195.29
<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
3	(a) In the form of Unsecured debentures	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-
	(c) Other public deposits	-
Assets side		Amount outstanding
<b>Break-up of Loans and Advances including bills receivables (other than those included in (d) below):</b>		
4	(a) Secured	-
	(b) Unsecured	1,06,106.44
<b>Break up of leased Assets and stock on hire and other assets covering towards asset financing activities</b>		
5	(a) Leased assets including lease rentals under sundry debtors	-
	(b) Stock on hire including hire charges under sundry debtors	-
6	(a) Assets on hire	-
	(b) Repossessed Assets	-
<b>Other asset covering towards asset financing activities</b>		
7	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
<b>Break-up of Investments</b>		
<b>Current Investments</b>		
8	Quoted	
	(a) Shares	-
9	(b) Equity	-
	(c) Preference	-
10	(d) Debentures and Bonds	-
	(e) Units of mutual funds	-
	(f) Government Securities	-
	(g) Others (please specify)	-
11	Unquoted	
	(a) Shares	-
12	(b) Equity	-
	(c) Preference	-
13	(d) Debentures and Bonds	-
	(e) Units of mutual funds	-
	(f) Government Securities	-
	(g) Others (please specify)	-
14	Short Term Deposits	15,094.71
	Long Term Investments	
15	Quoted	
	(a) Share	-
16	(b) Equity	-
	(c) Preference	-
17	(d) Debentures and Bonds	-
	(e) Units of mutual funds	-
	(f) Government Securities	-
	(g) Others (please specify)	-
18	Unquoted	
	(a) Shares	-
19	(b) Equity	-
	(c) Preference	-
20	(d) Debentures and Bonds	-
	(e) Units of mutual funds	-
	(f) Government Securities	-
	(g) Others (please specify)	-



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Aharu Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in lakhs, unless stated otherwise)

Borrower group-wise classification of assets financed as in (3) and (4) above:				
Category	Amount net of provisions			
	Secured	Unsecured	Total	
1 Related Parties	-	-	-	
(a) Subsidiaries	-	-	-	
(b) Companies in the same group	-	-	-	
(c) Other related parties	-	-	-	
2 Other than related parties	-	1,06,104.44	1,06,104.44	
Total	-	-	-	
Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
Category	Market Value/ Break up or fair value or NAV		Book Value (Net of Provisions)	
1 Related Parties				
(a) Subsidiaries	-		-	
(b) Companies in the same group	-		-	
(c) Other related parties	-		-	
2 Other than related parties	15,074.71		15,074.71	
Total	15,074.71		15,074.71	
Other information:				
Particulars	Amount			
Gross Non-Performing Assets	-			
(a) Related parties	-			
(b) Other than related parties	8,263.94			
Net Non-Performing Assets	-			
(a) Related parties	-			
(b) Other than related parties	8,263.94			
Assets accepted in satisfaction of debt	-			

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Statement of Financial Position as at the end of the reporting period (Balance Sheet) as at March 31, 2024

S.No.	Type of Reporting	Account Classification Details	Under 10% Shareholding				Under 20% Shareholding				Others				Total			
			Shareholder	Subsidiary	Jointly	Total	Shareholder	Subsidiary	Jointly	Total	Shareholder	Subsidiary	Jointly	Total	Shareholder	Subsidiary	Jointly	Total
1	Particulars																	
2	Particulars																	
3	Particulars																	
4	Particulars																	
5	Particulars																	
6	Particulars																	
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On behalf of the Board of Directors, the undersigned hereby certifies that the above information is true and correct to the best of his knowledge and belief.



Mr. A. S. R. S. A.



Sl. No.	Type of Transaction	State Capitalization				Under SHG Fund Restructuring Mechanism				Others				Total			
		Standard	Sub Standard	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss	Total	
1	Interest Income on Govt & Semi Govt Securities																
		No. of Securities															
		Amount Outstanding															
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**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

**U. Disclosures relating to securitisation**

	As at March 31, 2024	As at March 31, 2023
<b>Details of financial assets purchased from / sold to other NBFCs</b>		
<b>Details of financial assets purchased</b>		
No. of accounts purchased during the year	-	-
Aggregate outstanding	-	-
Of these, number of accounts restructured during the year	-	-
Aggregate outstanding	-	-
<b>Details of Financial Assets sold :</b>		
No. of accounts sold during the year	-	11,290.00
Aggregate outstanding	-	2,050.98
Aggregate consideration received	-	1,845.88

**V. Transfer of financial assets**

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Securitisations</b>		
Carrying amount of transferred assets	-	2,050.98
(held as Collateral)	-	-
Carrying amount of associated liabilities	-	-
Fair value of assets	-	2,050.98
Fair value of associated liabilities	-	-
Net position at FV	-	2,050.98

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*Handwritten signatures and initials: GA, SA, and others.*



**Akara Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**51 Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"**

**Contingent Liabilities and Commitments**

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. The details of Contingent liabilities are listed below:-

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Legal cases in respect of compensation demanded by customers	7.95	-
Legal cases in respect of compensation demanded by employees	3.66	15.00
Legal case in respect of third parties	1.50	-
First Loss Default Guarantee Provided to Co-lenders	1,187.50	-
<b>Total</b>	<b>1,200.62</b>	<b>15.00</b>

Refer note 5 for undisbursed commitment relating to loans.

**Commitments**

The Company provides a First Loss Default guarantee (FLDG) with regards to collection of repayment amount due from the Customer(s) in the event of failure on the part of the Borrower(s) in complying with the obligations and the occurrence of an Event of Default under the terms of the Lending Agreements with its Co-lenders. The company has paid FLDG amounting to Rs. 11,112.02 lakhs during the year ended 31st March, 2024 and Nil during the year ended 31st March, 2023.

**Note:** The amount paid by company as FLDG is within the limit prescribed under Guidelines on Default Loss Guarantee (DLG) in Digital Lending Issued by RBI on 8th June, 2023.

**Income Tax Disputes**

The Income Tax Department has issued demand order u/s 143(1) for AY 2020-21 against the Company amounting to Rs 3.64 lakhs. The Company is in the process of filing of rectification of return under section 154 of the Income Tax Act. The Company is hopeful of a favourable outcome in respect of the issues covered under the demand notice hence no provision has been made for the same.

- 52 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.**  
The audit trail feature was enabled at the database level software used by the company for loan processing throughout the year commencing from April 01, 2023. Further, the company, in respect of financial year commencing on 01 April 2023, has used a separate accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility but the same has not been inadvertently operated/enabled throughout the year for all relevant transactions recorded in the software.

**53 Post reporting date events:**

**Approval of Financial Statements:** The financial statements for the year ended on March 31, 2024, were approved by the Board of Directors of the Company on 29th May 2024

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34 (f) Capital management:

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way which capital is sufficient, satisfactory business growth is ensured, cash flows are monitored, and ratings are maintained.

Consistent with peers in the industry, the Company monitors capital on the basis of debt equity ratio which is computed as Debt (Total Borrowings) divided by Total Equity as shown in the balance sheet:

	As at March 31, 2024	As at March 31, 2023
Debt	87,322.49	36,718.53
Equity (including capital reserve)	55,384.76	36,093.53
Debt-Equity Ratio	1.56	2.53

Objectives

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of debt less cash and cash balances as presented on the face of balance sheet.

The Company endeavours to maintain its Credit Rating higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

(g) Regulatory Capital

Capital Risk Adequacy Ratio (CRAAR) and other key financial parameters as at March 31, 2023 and March 31, 2022 of the Company are as under:

Particulars	Without Considering Off balance sheet exposure			After Considering Off balance sheet exposure		
	As at March 31, 2023	Amount	Percentage	As at March 31, 2023	Amount	Percentage
Net Owned Funds/Net LCRs	33,308.70	30,409	37.73%	33,308.70	30,409	37.73%
Tier 1 Capital	2,277.00	1,781.02	1.29%	2,277.00	1,781.02	1.29%
Total Capital Funds/Total CRAAR	57,661.81	31,620	38.97%	57,661.81	31,620	38.97%
Risk Weighted Assets	3,32,383.35	3,48,690.48		3,32,383.35	3,48,690.48	

Ratio Risk weighted assets for FY 2022-23 have been restated due to change in risk weight of Loan & Advances from 100% to 125% during FY 2023-24.

35 Financial risk management objectives and policies

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial company, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. In accordance with the RBI guidelines to enable NBFCs to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Asset Liability Management Committee (ALMCO) and Risk Management Committee. Risk Management Committee reviews risk management in relation to various integrated risks of the Company. This note explains the nature of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements. The Risk Management Policy is periodically revised based on emerging market trends and the Company's own experience. The Risk Management Policy is periodically revised based on emerging market trends and the Company's own experience.

35.1 Types of Risk

The Company's risks are generally categorized in the following risk types:

Risk	Exposure arising from	Measurement	Management
Credit Risk- Credit risk is the risk of financial loss if a borrower or counterparty fails to meet an obligation under a contract.	Loan investments, Cash and bank balances, Financial assets measured at amortized cost.	Expected loss analysis. Measured as the amount that could be lost if a customer or counterparty fails to make repayments.	Credit risk analysis, diversification of counterparty asset base, credit limits and collateral.
Liquidity Risk- Liquidity risk is the risk that we do not have sufficient financial resources to meet our obligations as they fall due or that we can only do so at an excessive cost.	Borrowings and other liabilities. Measured as the timing of cash flows. Assets whose liquidity asset positions cannot be funded at the required terms and when required.	Measured using a range of metrics including Asset Liability Mismatch, Debt Equity Ratio, Rolling cash flow forecasts. Regular monitoring of funding levels to ensure to meet the requirement for business and maturity of our liabilities.	Availability of committed credit lines and borrowing facilities. Maintain diverse sources of funding and liquid assets to facilitate flexibility in meeting our liquidity requirements of the Company.
Market Risk- Market risk is the risk that movements in market factors, such as interest rates, equity prices and index prices, will reduce our income or the value of our portfolio.	non-current borrowings at variable rates	Sensitivity analysis, detailed pricing of portfolio gains and losses for a range of market movements and scenarios.	Change in interest rates. Managed using risk limits approved by the risk management committee.



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<p>Compliance Risk- Compliance Risk is the potential for mistakes, loss and legal penalties arising from violations of, or non-conformance to, industry regulations, laws, and codes of conduct.</p>	<p>Compliance risk related to various regulatory, filing and disclosure requirements under:</p> <ul style="list-style-type: none"> <li>The Companies Act, 2013</li> <li>The Income Tax Act, 1961</li> <li>The Indian Contract Act, 1872</li> <li>Securities and Exchange Board of India Act, 1992</li> <li>Reserve Bank of India Act, 1934</li> <li>The Central Goods and Services Tax Act, 2017</li> <li>The Integrated Goods and Services Tax Act, 2017</li> <li>State Goods and Services Tax Act</li> <li>Payment of Wages Act, 1946</li> <li>Minimum Wages Act, 1948</li> <li>The Payment of Bonus Act, 1965</li> <li>Payment of Gratuity Act, 1972</li> <li>Employee Provident Funds and Miscellaneous Provisions Act, 1952</li> <li>The Employees State Insurance Act, 1948</li> <li>Foreign Exchange Management Act, 1999</li> <li>Micro, Small and Medium Enterprises Development Act, 2006</li> </ul> <p>and other Acts and their rules, regulations, notifications and amendments as and when applicable.</p>	<p>Quarterly Compliance Calendar is prepared for RBI, SEBI and MCA compliances stating details of relevant legal provision. Nature of information to be filed. Periodicity, Timelines and Due Dates of compliance. Internal procedure for non-compliance.</p>	<p>Responsible persons are identified to complete the compliance procedures, data is prepared and provided for the relevant filing and progress of compliance is monitored.</p> <p>If there is delay or potential delay in compliance, action is taken to expedite the process needed to resolve or avoid penalties.</p>
<p>Strategic and Operational Risk- Strategic and Operational risk is the risk of loss as a result of ineffective or failed internal processes, people, systems, or external events that can disrupt the flow of business operations.</p>	<p>Strategic and Operational Risk arising from:</p> <ul style="list-style-type: none"> <li>Interest Rate Policy: There is interest rate management policy mechanism to determine the interest and charges based on customers leading to appropriate charging.</li> <li>Personal Loans Regulation: Personal loans are not regulated and are unsecured to borrower with low repaying capacity, non-genuine, non-existing borrowers or customers with default history.</li> </ul>	<p>A Strategic Team is constituted to identify risks related to operations of the business and draft policies to counter such risks.</p> <p>The team is also responsible for monitoring the adherence to such policies.</p>	<p>- Interest Rate Policy: A policy reviewed and approved by Board of Directors is made for interest principal and procedures in determining rates of interest, processing fees, other charges. Disclosures are required for rate of interest and other charges in the application forms, sanction letters and website.</p> <p>- Personal Loans Regulation: A reviewed and approved policy is made for regulation of personal loans provided by the company stating the purpose, age criteria, minimum financial income, criteria for loan amount and loan tenure, loan eligibility rules. There are various verification checks, bank account statement analysis and document requirements to ensure loans are given to genuine borrowers with repaying capacity.</p>



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Reputational Risk: Reputational risk is the possibility that a business will fail to meet stakeholder expectations, which can lead to a negative view of the company.	Reputational Risk arising from: Inappropriate and/or unauthorized use of social media to spread negative publicity of the company. Account hijacking and malware distribution from social media of the company. As social media platforms have a wide reach, any misposting quickly goes viral. Social media of two can create a quick negative impact on the company's reputation. Employees are unaware of the company's social media policy and may inadvertently post negative information on social media. Inconsistent brand messaging. Defamation or privacy breaches by employees or customers. Non-response to complaints and negative publicity.	Marketing, Legal and Compliance Teams are constituted to take to such risks and a social media policy is required to mitigate the vulnerability to social media issues.	A reviewed and approved policy is made for social media conduct stating appointment of a social media coordinator responsible for all social media activities. Secure Social Media Management Platform, Limited Access, Social Media Scanning and Monitoring Tools and Software, Two-factor authentication, audits and training regarding social media activity. Procedures to be followed to initiate and conduct social media activity and measures for protection of data and privacy of customers as well as the company are clearly defined. Transparency in communication is ensured and complaints are addressed within a short Turnaround Time to build customer's trust.
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The Company's Principal Financial liabilities, majority comprising debt securities, are classified as financial liabilities. The main purpose of these financial liabilities is to finance the company's operations. At the other hand, company's Principal financial assets include loans and cash and cash equivalents that derive directly from its operations.

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal objective in Company's risk management processes is to ensure and minimize the various risks that Company is subject to and to follow policies and procedures to address such risks. Company's risk management framework is driven by Board and its sub committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureau, personal verification of a customer's business and residential, technical and legal verification, consumer helpline for queries and required term sheet for financing. The major types of risk Company face in business are liquidity risk, credit risk, market risk and operational risk.

#### (A) Credit risk

Credit risk arises from the risk of loss that may occur from the default of Company's customers under loan agreements and against its investments and credit substitutes. Customer defaults and inadequate collateral always lead to higher credit impaired assets. Company address credit risk by using a set of credit norms and policies, which are approved by Board and backed by analytics and techniques. Company has implemented a structured and standardized credit approval process, including customer selection criteria, comprehensive credit risk assessment and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of a potential customer. Actual credit exposures, credit limits and asset quality are regularly monitored and analyzed at various levels. Company has created a robust credit assessment and underwriting practice that enables to take price credit risk.

Credit quality of a customer is assessed based on its creditworthiness and historical dealings with the Company and market intelligence. Outstanding customer receivables are regularly monitored. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

#### Derivative Financial Instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair value, as recorded on the balance sheet. With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the counterparty fails to deliver the counter value.

#### Requirement Assessment

The Company applies the expected credit loss model for recognizing impairment loss. The expected credit loss allowance is compared based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has derived an internal model to evaluate the probability of default and loss given default based on the parameters set out in table A5 including qualitative factor of an account or a pool of related portfolios. Accordingly, the loans are classified into various stages as follows:

Internal Rating Grade	Internal Rating Description	Stages
Performing		
High Grade	0-20 DPD	Stage 1
Standard Grade	31-90 DPD	Stage 2
Non-Performing		
Individual Impaired	91-100 DPD	Stage 3
* Classified as Non-Performing Assets (NPA) as per RBI guidelines		

For Details on LAR, LOR, PD refer Note no 5.  
Stage wise impairment of loan assets is detailed in Note no 38



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#### Exposure to credit risk

The carrying amount of financial assets measured at amortised cost represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 1,47,128.75 Lakhs and Rs. 1,12,904.23 Lakhs as at 31 March 2024 and 31st March 2023 respectively, being the total of carrying amount of loans assets.

#### (ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due or as a result of circumstances when funding is not available for the full term of the liability. Such circumstances could occur when funding needed for financial liabilities is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required. The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs.

For details on the maturity profile of the unencumbered cash flows of the company financial liabilities as at 31 March 2024 and 31 March 2023, refer Note 56(i).

#### Contractual supply of commitments

The table below shows the contractual supply by maturity of the Company's commitments:

Particulars	As at March 31, 2024	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Undrawn committed credit lines	91,562.73	-	-	-	-	91,562.73
As at March 31, 2023						
Particulars	On Demand*	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Undrawn committed credit lines	84,338.77	-	-	-	-	84,338.77

\* Subject to approval by the Company

#### Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the year:

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate		
Exp. within one year (from financial institutions)		
Exp. beyond one year (from financial institutions)		
	1,400	-

#### (i) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, price risk and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

#### Total Market risk exposures

Particulars	Carrying amount	As at March 31, 2024	Traded rate	Non-traded rate	Carrying amount	As at March 31, 2023	Traded rate	Non-traded rate
Financial Assets								
Cash and Cash Equivalents	2,116.15	-	-	2,116.15	17,730.13	-	-	17,730.13
Bank balances other than above	1,670.11	-	-	1,670.11	10,914.70	-	-	10,914.70
Trade Receivables	664.09	-	-	664.09	4,451.88	-	-	4,451.88
Loans	1,42,052.21	-	-	1,42,052.21	1,06,941.36	-	-	1,06,941.36
Investments	-	-	-	-	82.04	-	-	82.04
Other financial assets	2,917.89	-	-	2,917.89	1,482.72	-	-	1,482.72
Total Financial Assets	1,45,460.44	-	-	1,45,460.44	1,41,665.33	-	-	1,41,665.33
Financial Liabilities								
Derivative financial instruments	86.11	86.11	-	-	513.65	-	-	513.65
Trade payables	1,128.28	-	-	1,128.28	32,482.13	-	-	32,482.13
Debt Securities	17,880.17	-	-	17,880.17	66,236.50	-	-	66,236.50
Borrowings (Other than short securities)	10,132.14	-	-	10,132.14	1,255.84	-	-	1,255.84
Other financial liabilities	1,886.57	-	-	1,886.57	-	-	-	-
Total Financial Liabilities	90,183.48	86.11	-	86,097.37	1,40,498.12	-	-	1,40,498.12



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#### A. Interest Rate Risk:

The company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity years that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, divergence of the federal reserve in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the company seeks to optimize borrowing profile between short term and long term loans. The company adopts funding strategies to ensure diversified interest rate and timing options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report monthly for assessment of interest rate risks.

#### Interest Rate Sensitivity

Interest rate risk arises where there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The company's lending, funding and investment activities give rise to interest rate risk. The interest rate impact of changes in interest rate is on the company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While existing interest rate risk, arising from the market by ASB and government departments from time to time and the financial industry's reaction to them shall be continuously monitored. The table below provides an analysis of impact of interest rate movement on company's earnings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

Particulars	Best Points	Effect on Profit before tax As at March 2024	Effect on Profit before tax As at March 2023
Borrowings			
Increase in basis points	100	(152.40)	(235.45)
Decrease in basis points	-100	152.40	235.45

#### B. Foreign currency risk:-

The Company has foreign exchange exposure in the form of borrowings from overseas lending agencies as part of its resource raising strategy. Large cross border flows together with the volatility may render company's balance sheet vulnerable to exchange rate movements. As per its Board approved policy, company mitigates the foreign exchange risk through Forward Rate Contract (derivatives transaction) of one of the branches of Foreign Loans.

#### Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the year is expressed in net, area as follows:-

Particulars	As at March 31, 2024	As at March 31, 2023
	USD	USD
Financial assets		
Bank balance in foreign currency	-	-
Derivative assets		
Foreign exchange Forward contracts	-	-
Financial liabilities		
Borrowings in foreign currency	37,520.73	24,183.19
Derivative liabilities		
Foreign exchange Forward contracts	85.11	0
Net exposure to foreign currency risk (Assets) / (Liabilities)	37,546.63	24,183.19

#### Sensitivity

Sensitivity of Statement of Profit and Loss due to changes in exchange rates arises mainly from foreign currency denominated financial instruments. The below mentioned table presents the impact on Statement of Profit and Loss (- Gain / + Loss) due to changes in foreign currency exchange rate by 5% (against INR) on foreign currency exposure:-

Particulars	As at March 31, 2024		As at March 31, 2023	
	Decrease	Increase	Decrease	Increase
Impact on Statement of Profit and Loss	1.33.82	(37.62)	32.21	(93.17)

\*(Holding all other variables constant)



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The results suggest that a 1-hour session based on M1, related to how we think about life, is more effective than 1-hour sessions based on M2, which is related to how we think about life.

Figure 1. The effect of the number of trials on the number of correct responses. The number of correct responses increased with the number of trials, and the increase was more pronounced for the high condition than for the low condition.

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**Akans Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. in Lakhs, unless stated otherwise)

57. Disclosure as required by Regulation 34(2) and 52(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

S.No	Particulars	Year Ended March 31, 2024		Year Ended March 31, 2023	
		Amount as on March 31, 2024	Maximum Amount Outstanding during the year ended March 31, 2024	Amount as on March 31, 2023	Maximum Amount Outstanding during the year ended March 31, 2023
1	Loans and advances in the nature of loans	Nil		Nil	
a)	To Associates				
b)	To Companies in which directors are interested				

58. Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

S.No	Particulars	Formula	Unit	As at/For the year ended March 31, 2024	As at/For the year ended March 31, 2023
1	Debt - Equity Ratio	(Debt Securities + Borrowings of other than debt securities + Subordinated debt) / (Net worth)	Times	1.54	2.53
2	Net worth	(Share Capital + Reserves & Surplus - Deferred Revenue - Expense - Intangible Assets - Deferred Tax Assets)	Rs. in Lakhs	55,394.76	39,062.63
3	Net profit after tax		Rs. in Lakhs	4,994.52	780.50
4	Total debt to total assets	(Debt Securities + Borrowings of other than debt securities + Subordinated debt) / (Total assets)	Times	0.17	0.69
5	Net profit margin (%)	(Net profit after tax / Revenue from Operations)	Percentage	8.77%	1.43%
6	Return on Equity	(Net profit after tax / Average Shareholder's Equity)	Times	0.03	0.01
7	Return on Capital Employed	(Earning Before Interest & Taxes / Capital Employed)	Percentage	15.40%	7.06%
8	Return on Investment Ratio	(Interest Income on Bank Deposits / Current & Non Current Bank Deposits)	Percentage	11.11%	1.57%
9	Earnings per share				
(i)	Basic	(Net profit attributable to the equity shareholders / Weighted average number of shares used in basic earning per share (rounded))		2.40	0.33
(ii)	Diluted	(Net profit attributable to the equity shareholders / Weighted average number of shares used in diluted earning per share (rounded))		2.40	0.11
10	Debt Service Coverage Ratio	(EBITDA / (Debt + Interest))	Times	9.21	0.10
11	Interest Service Coverage Ratio	(EBITDA / Interest)	Times	1.67	1.35
12	Financial Assets to Total Assets	(Total Financial Assets / Total Assets)	Percentage	97.66%	88.82%
13	Financial Income to Total Income	(Total Financial Income / Total Income)	Percentage	100.00%	100.00%
14	Capital Tier 1	(Net Owned Funds)	Rs. in Lakhs	55,394.76	44,062.63
15	Capital Tier 2	(General provisions and loss reserves including Provision for Standard Assets to the extent not attributable to actual deterioration in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of 1.25% of RWAs)	Rs. in Lakhs	2,277.04	1,251.62
16	Total Risk Weighted Assets		Rs. in Lakhs	1,42,163.59	1,40,319.48
17	Capital Adequacy Ratio	((Capital Tier 1 + Capital Tier 2) / Total Risk Weighted Assets)	Percentage	31.67%	28.97%
18	Gross NPA (%)	(Gross NPA / Gross Loans)	Percentage	4.98%	8.59%
19	Net NPA (%)	(Net NPA / (Gross Loans - Impairment Allowance))	Percentage	2.22%	7.45%
20	Provision Coverage Ratio	(Provision Allowance at Stage 3 Loans / Gross Stage 3 Loans)	Percentage	55.65%	46.58%



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Nawa Capital Advisors Private Limited  
Notes to the Financial Statements for the year ended March 31, 2024  
(All amount in Rs. in Lakhs, unless stated otherwise)

S.no	Particulars	Formula	Unit	As at/For the year ended March 31, 2024	As at/For the year ended March 31, 2023
21	Outstanding Redeemable Preference Shares			NA	
22	Debtors Redemption Reserve			NA	
23	Current Ratio			NA	
24	Long Term Debt to Working Capital			NA	
25	Bad Debt to Amount Receivable			NA	
26	Current liability Ratio			NA	
27	Debtors Turnover Ratio			NA	
28	Inventory Turnover Ratio			NA	
29	Operating Margin (%)			NA	

**Notes**

- The following ratios are not applicable to the company as it is an MSME:  
Current Ratio, Current Liability Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Long-Term Debt to Working Capital Ratio, Bad Debt to Amount Receivable Ratio, Debtors Turnover, Inventory Turnover, Trade Payable Turnover Ratio, Net Capital Turnover Ratio and Operating Profit Margin
- Capital Redemption Reserve/Debtors Redemption Reserve is not applicable to the company
- In the calculation of Net Owned Funds(NOF), Deferred Revenue Expenditure includes Unamortised Borrowing Cost
- NFA Calculations are stated based on stage 3 loans.
- Risk weighted assets for FY 2022-23 have been revised due to change in risk weight of Loans & Advances from 200% to 125% during FY 2023-24.  
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**Akura Capital Advisors Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
**(All amount in Rs. in Lakhs, unless stated otherwise)**

**58 Initial Disclosure under SEBI Circular SEBI/HO/DGHS/GHS-RACPD/L/P/CR/2023/172 on Large corporates**

The Company is not a Large Corporate as per the applicability criteria given under SEBI circular SEBI/HO/DGHS/GHS-RACPD/L/P/CR/2023/172 dated October 13, 2023. Thus, disclosure with reference to mandatory borrowings through issuance of debt securities is not being given.

**A Disclosure with reference to Qualified borrowing in accordance with SEBI circular SEBI/HO/DGHS/GHS-RACPD/L/P/CR/2023/172:-**

S.No.	Particulars	Amount
i.	Outstanding Qualified borrowing of company as on March 31st, 2023	52,998.32
ii.	Outstanding Qualified borrowing of company as on March 31st, 2024	39,484.98
iii.	Incremental borrowing done in FY 2024 (qualified borrowing)	-23,113.86
iv.	Borrowings by way of issuance of debt securities during the FY 2023-24	20,150.00

**59 Disclosure in respect of Indian Accounting Standard (Ind AS) – 38 "Intangible Assets"**

During the year ended March 31, 2024, the Company has capitalized an amount of Rs. 805.10 lakhs (March 31, 2023: Rs. 1,306.83 lakhs) relating to self-generated intangible assets for development of software. Refer Note 51B to Financial Statements.

As at 31.03.2024, the Company has disclosed an amount of Rs. 12.5 Lakhs (previous year: Rs. 49.87 Lakhs) under "Intangible assets under development" related to the above. Refer Note 51(c) to Financial Statements.

**60 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.**

**61 Loans or Advances in the nature of loans to specified persons (promoters, directors, KMPs, related parties) that are repayable on demand or without specifying any terms or period of repayment has been listed below:-**

S. No.	Type of Borrower	As at March 31, 2024		As at March 31, 2023	
		Amount of loans or advances in the nature of loans outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loans or advances in the nature of loans outstanding	Percentage to the total Loans and Advances in the nature of loans
1.	Promoters	-	-	-	-
2.	Directors	-	-	-	-
3.	Key Management Personnel	-	-	-	-
4.	Related parties	-	-	10.38	9.81%

The outstanding balance of related party loans as at 31st March 2024 and 31st March 2023 is nil. Interest on such loans during the year ending March 31, 2024 amounts to Rs. Nil (March 31, 2023: Rs. 32.42)

The advance balance as at March 31, 2023 only pertains to interest on such loans.

**62 Figures for the previous year have been regrouped/re-classified to conform to the figures of the current year.**

**64 The above Financial Statements have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25-05-2024**

For Sero Associates  
Chartered Accountants  
ICAI Firm Registration No: 080272N

CA Surender Kumar Jain  
Partner  
Membership No. 016520  
Place: New Delhi  
Date: 29-05-2024



For and on behalf of the Board of Directors of  
Akura Capital Advisors Private Limited

Tushar Aggarwal  
(Managing Director)  
DIN: 02587360  
Place: New Delhi  
Date: 29-05-2024

Ashish Singh  
(Company Secretary)  
Membership No: A27334  
Place: New Delhi  
Date: 29-05-2024

Shrut Aggarwal  
(Director)  
DIN: 06867260  
Place: New Delhi  
Date: 29-05-2024

Pankaj Kumar  
(Chief Financial Officer)  
Place: New Delhi  
Date: 29-05-2024





AKARA CAPITAL ADVISORS  
PRIVATE LIMITED

**SEVENTH  
ANNUAL REPORT  
2022-2023**

## **7<sup>TH</sup> Annual Report for FY 2022-23**

**CORPORATE IDENTITY NUMBER (CIN) - U74110DL2016PTC290970**

### **Board of Directors**

Mr. Tushar Aggarwal– Managing Director

Ms. Shruti Aggarwal –Director

Mr. Radhakrishnan Ramachandra Iyer - Independent Director

Mr. Vijay Jasuja – Independent Director

Mr. Vijay Ronjan – Independent Director

### **Chief Financial Officer (CFO)**

Mr. Pankaj Kumar

### **Company Secretary & Compliance Officer**

Ms. Sonia Thakur

### **Registrars & Share Transfer Agents (RTA):**

#### **Bigshare Services Private Limited**

Address: 1st Floor, Bharat Tin Works Bldg.,  
Opp. Vasant Oasis, Makwana Road, Marol  
Andheri East, Mumbai – 400059  
Tel No.: 022 6263 8200

### **Debenture Trustees:**

#### **Vardhman Trusteeship Private Limited**

The Capital, A Wing, 412A  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051  
Tel.: 9820024538 / 8657900675  
Email: nikhil@vardhmantrustee.com  
Website: vardhmantrustee.com

#### **Catalyst Trusteeship Limited**

Windsor, 6th Floor, Office No. 604  
C.S.T. Road, Kalina, Santacruz (East)  
Mumbai – 400 098  
Tel.: 022- 49220507  
Email: compliancectl-mumbai@ctltrustee.com  
Website: ctltrustee.com

#### **Mitcon Credentia Trusteeship Services Ltd.**

Dalamal Tower, 1402/1403 Free Press  
Journal Marg 211, Nariman point  
Mumbai -400021  
Tel.: 8879857930  
Email: navin@mitconcredentia.com  
Website: mitconcredentia.com

#### **Axis Trustee Services Limited**

2nd Floor, Plot 25, Pusa Road  
Karol Bagh, New Delhi 110005  
Tel.: 9999688256  
Email: naveen83.kumar@axistrustee.in  
Website: axistrustee.in



**Beacon Trusteeship Limited**

4C & D, Siddhivinayak Chambers  
Gandhi Nagar, Opp MIG Cricket Club  
Tel.: 022-26558759  
Email: [compliance@beacontrustee.co.in](mailto:compliance@beacontrustee.co.in)  
Website: [beacontrustee.co.in](http://beacontrustee.co.in)

**Statutory Auditors**

Suri & Sudhir  
(Chartered Accountants)  
Add: L-4, Connaught Circus, New Delhi - 110001  
Tel: 011 23417708  
E-mail: [info@suriandsudhir.com](mailto:info@suriandsudhir.com)  
Website: [www.suriandsudhir.com](http://www.suriandsudhir.com)

**Registered Office**

60, Third Floor, Arjun Nagar  
Kotla Mubarak Pur  
New Delhi – 110003  
Email – [accounts@stashfin.com](mailto:accounts@stashfin.com)  
Tel: 9643309883

**Corporate Office**

CRC-2, 1st Floor, Khasra No. 337  
Mehrauli-Gurgaon Rd,  
Sultanpur New Delhi DL 110030

## **Chairman's Message**

Dear Valued Shareholders and Stakeholders,

I am delighted to extend my warm greetings to you as I present our annual report for the financial year 2022-23. This year has been nothing short of extraordinary for all of us at Akara Capital Advisors Private Limited (ACAPL). It is with immense pride that I share our accomplishments and the journey we have undertaken.

Despite the challenges posed by ever-changing market dynamics, we have not only remained resilient but have also achieved remarkable growth. Our unwavering belief in our vision, coupled with our commitment to innovation, has been the driving force behind our success. I extend my heartfelt gratitude to our clients, partners, team members and stakeholders who have been integral to our journey.

In the face of uncertainties, we have steered our ship through uncharted waters, adapting and thriving. This has been possible due to our unyielding dedication to our customers, an unrelenting pursuit of growth and maintaining operational excellence. Our teams have been the pillars of this success, working tirelessly in their respective domains.

I extend a warm welcome to the newest additions to the Akara Capital Advisors Private Limited (ACAPL) family. Their expertise has enriched our capabilities, ensuring that we remain at the forefront of innovation and customer-centric solutions.

Our growth story has been remarkable over the past year. We have expanded our team by over 23 members, reinforcing our leadership team to propel us into the next phase of growth. Our investments in technology, platforms and training underscore our commitment to nurturing our teams' capabilities.

Our commitment to elevating value creation is vividly mirrored in our performance throughout the fiscal year 2022-23. While our total revenue stood at INR 216.92 crores, our PBT reached INR 39.81 crores. Amidst the prevailing headwinds, our GNPA and NNPA for the year settled at 2.97% and 2.23% respectively.

We maintained a standalone debt-to-equity ratio of 2.39 and our interest income from loans surged by 287%. A robust performance was showcased through disbursing 17,13,148 number of personal loans totaling INR 2075.54 crores. This stands testament to our resilience, growth, and unwavering dedication in the demanding landscape eventually helping us raise a capital of nearly INR 1200 crores to serve our customers.

As we navigated the challenges posed by the economy, we recognized our duty to the larger community by extending unwavering support to our clients, suppliers and vendors. The pandemic has reshaped how we work and our working model. We recognize the importance of work-life harmony, providing our people with avenues to achieve their full potential while maintaining their well-being across all aspects of life.

On behalf of the board, I extend my heartfelt appreciation to our employees for their relentless dedication and unwavering enthusiasm in embracing the ambitious path we have charted for our company. I also extend my gratitude to our management team, whose collaborative efforts and hard work have fortified our strong foundation.

To our esteemed shareholders, your unwavering trust in our leadership and financial trajectory is deeply valued. With unwavering commitment from the board and management, I am confident about the continued success and future growth of our company.

Sincerely,

Tushar Aggarwal

Managing Director & CEO,

Akara Capital Advisors Private Limited (ACAPL)

## **NOTICE OF 7<sup>TH</sup> ANNUAL GENERAL MEETING**

SHORTER NOTICE IS HEREBY GIVEN THAT THE 7<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED WILL BE HELD ON MONDAY, 28<sup>TH</sup> DAY OF AUGUST 2023 AT 11:30 A.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT CRC-2, 1<sup>ST</sup> FLOOR, KHASRA NO. 337, MEHRAULI-GURGAON RD, SULTANPUR, DELHI 110030 TO TRANSACT THE FOLLOWING BUSINESS (S)

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### **ORDINARY BUSINESS:**

- 1. Adoption of the Financial Statements of the Company for Financial Year ended on 31<sup>st</sup> March, 2023:**

To receive, consider and adopt the Financial Statements containing the Balance Sheet as at 31<sup>st</sup> March 2023 and the Profit and Loss Account for the financial year ended on that date along with Notes & Schedules appended thereto together with the Boards' Report and the Auditors' Report thereon and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 134 of the Companies Act 2013, the Financial Statements containing the Balance Sheet as at 31<sup>st</sup> March 2023 and the Profit and Loss Account ended on that date along with Note & Schedules appended thereto for the Financial Year ended 31<sup>st</sup> March 2023 together with the Boards' Report and Auditors' Report thereon be and are hereby received, considered and adopted."

- 2. To appoint Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof, for the time being in force), M/s Serva Associates, Chartered Accountants, New Delhi (Firm Registration Number: 000272N) be and are hereby appointed as the Statutory Auditors of the Company for a term of three consecutive years from the conclusion of this 07<sup>th</sup> Annual General Meeting ("AGM") till the conclusion of the 08<sup>th</sup> AGM to be held in the year 2026, at such remuneration plus out of-pocket expenses and applicable taxes etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### **SPECIAL BUSINESS:**

- 3. To approve the Alteration in the Articles of Association**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution**

**"RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies Rules, 2014, including any other modification(s) thereto or re-enactment(s) thereof for the time being in force, consent of the members be and is hereby accorded for alteration in the following clause of the Articles of Association of the company."

The following Article 34 (d) be inserted after the existing Article 34 (c)

(i) Notwithstanding anything contained in this Articles, the Board shall have the power, on receipt of the nomination by the debenture trustee to appoint a Nominee Director on the Board of the Company, in the following circumstances:

- I. 2 (two) consecutive defaults in payment of interest to the debenture holders; or
- II . default in creation of security; or
- III. default in redemption of the debentures.

The Debenture Trustee may have the right to remove such Nominee Director so appointed and also in the case of death or resignation or vacancy for any reasons whatsoever in the Nominee Director/s so appointed, at any time appoint any other person as Nominee Director. Such appointment or removal shall be made in writing to the Company.

**RESOLVED FURTHER THAT** Ms. Shruti Aggarwal, director, of the Company be and is hereby authorized to do sign and file requisite forms along with such other documents as may be required, with Registrar of the Companies and to do all such acts as may be necessary and expedient to give effect to the above resolution.”

**By order of the Board of Directors  
For AKARA CAPITAL ADVISORS PRIVATE LIMITED**

**Sd/-  
Shruti Aggarwal  
(Director)  
DIN: 06867269  
6A/2, Raj Narain Road,  
Civil Lines, New Delhi – 110054**

**Date: 24<sup>th</sup> August, 2023**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER.**
2. The proxies to be effective should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Members are requested to bring their copy of Attendance Slip, duly completed and signed, to the meeting.
5. Members are requested to bring the copy of Annual Report to the AGM.
6. The route map to the AGM venue is annexed to the notice.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.****ITEM NO. 2**

RBI has issued guidelines for appointment of Statutory Auditors of Non Deposit taking Systemically Important NBFC with asset size of more than INR 1000 Crore vide its Circular on No. Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021.

These guidelines are effective from FY 2021-2022. As per the Circular, NBFCs that meet the given criteria cannot have an Audit Firm or an Auditor as its Statutory Auditor for more than a term of Three Years.

The Asset size of our Company has crossed INR 1000 Crore in March, 2023. Therefore, the said circular is applicable to us. As a matter of fact, Suri & Sudhir have given their resignation from their position as Statutory Director. The Company have received consent letter from M/s Serva Associates to act as the statutory auditor of the Company for conducting the Audit for the FY 2023-26 and upon recommendation of the Audit Committee, the Board of Directors have accepted appointment letter from M/s Serva Associates.

The Board accordingly recommends the ordinary resolution set out at Item No 2 of this notice for approval of the members.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 2 of the Notice

### **ITEM NO. 3**

Pursuant to SEBI Circular SEBI/HO/DDHS/POD1/P/CIR/2023/112 dated 4th July 2023 regarding the appointment of a director nominated by the Debenture Trustee in terms of clause(e) of sub-regulation (1) of regulation 15 of the SEBI (Debenture Trustees) Regulations, 1993the Company is therefore required to alter its AOA by inserting Article 35 (d) after the existing Article 35 (c).

Pursuant to the provisions of Section 14 of the Companies Act, 2013, alteration of articles requires approval of the members of the Company by way of a Special Resolution at a general meeting.

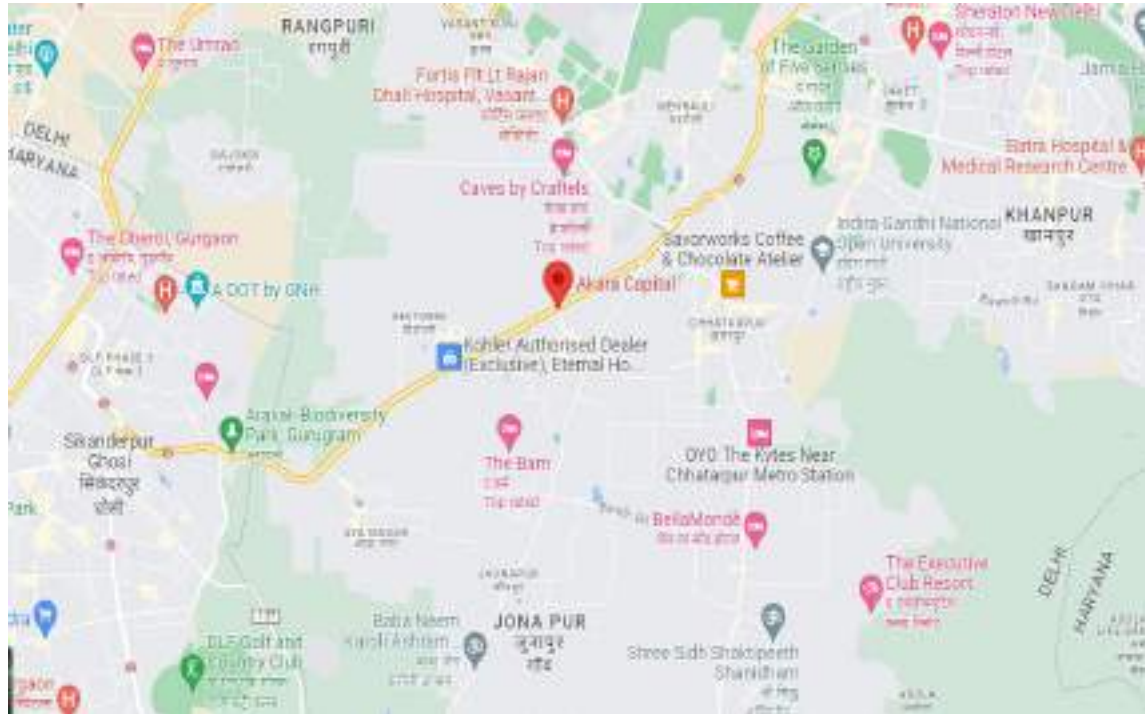
The Board of Directors of the Company recommends the resolutions as set out in Item no 3 accompanying notice for approval of the members.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 3 of the Notice

### **ROUTE MAP TO THE VENUE OF AGM:**

#### **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

**Corporate Office:** CRC-2, 1st Floor, Khasra No. 337 Mehrauli-Gurgaon Rd, Sultanpur New Delhi - 110030





## **DIRECTORS' REPORT**

Dear Members,

Your Director's take pleasure in presenting the Directors' report on the business and operations of the Company along with summarized financials for the financial Year ended March 31, 2023.

### **1. Financial Results:**

The Company's financial performance for the financial Year ended March 31, 2023 is summarized below:

Particulars	For the year ended March 31, 2023 (in Lakhs)	For the year ended March 31, 2022 (in Lakhs)
Total Income	21,692.30	4,943.25
Expenditure	17,710.61	4,147.50
Profit/(Loss) before tax	3,981.69	795.75
Less: Tax Expenses & Deferred Tax	1,394.29	117.48
Profit /(Loss) for the year after taxation	2,587.40	648.57

### **2. Information of State of the Company's Affairs:**

Your Company was incorporated on 11<sup>th</sup> February, 2016 with the Registrar of Companies, Delhi. The Company is engaged in the activities of Finance and is registered with Reserve Bank of India as an NBFC, the status of the Company changed to NBFC-ND-SI as it has crossed the asset size of Rs. 500/- Crores as per the audited financials dated 31st March, 2022.

During the Financial Year ended March 31, 2023, your Company earned a revenue of INR 21,692.30 (In Lakhs) and incurred expenditure of INR 17,710.61 (In Lakhs). However, during the previous financial year ended March 31, 2022, your Company earned INR 4,943.25 (In Lakhs) and incurred an aggregate expenditure of INR 4,147.50 (In Lakhs).

For the financial year ended March 31, 2023, the company made net profit of INR 25,87,40,000 (Twenty-Five Crores Eighty-Seven Lakhs Forty Thousand Only) and the year ended 31<sup>st</sup> March, 2022 the company made net profit of INR 6,48,57,000 (Six Crores Forty-Eight Lakhs Fifty-Seven Thousand Only).

### **3. Share Capital:**

Share capital of the Company is INR 400,00,00,000/- divided into 40,00,00,000 equity shares of INR 10/- each. The Paid-up share capital of the Company is INR 2,70,55,93,310/- divided into 27,05,59,331 equity shares of INR 10/- each as on 31<sup>st</sup> March 2023. During the financial year 2022-23, the paid up capital of the company has been changed and the company obtained the necessary RBI approval.

Akara Capital Advisors Private Limited is a wholly owned subsidiary of Morus Technologies Pte. Ltd. Further, the company has no subsidiary or joint ventures or associate companies.

**a. Sweat Equity shares:**

The Company has not issued any sweat equity shares during the financial year under review.

**b. Issue of further Share Capital:**

The Company has issued 59,36,88,12 equity Shares of INR 10 each during the Financial Year under review and has issued 59,36,88,12 equity shares of INR 10 each to M/s. Morus Technologies PTE LTD through Rights Issue.

**c. Buy back of Shares:**

During the year under review, the Company has not made any offer to buy back its shares.

**Issuance of Non-Convertible Debentures**

During the financial year under review, your Company has raised Rs. 289 Crores through issuance of Secured, Rated, Redeemable Non-Convertible Debentures ("NCD") on private placement basis, both Listed and Unlisted

Your Company, being a Non-banking Financial Company (NBFC) registered with RBI is exempted from the requirement of creating a Debenture Redemption Reserve ("DRR") on privately placed debentures as prescribed under the Companies Act, 2023. Therefore, DRR has not been created by your Company.

Your Company has appointed below mentioned as the Debenture Trustees for the issuance of NCDs:

1. Vardhman Trusteeship Private Limited
2. Catalyst Trusteeship Limited
3. Mitcon Credentia Trusteeship Services Ltd.
4. Axis Trustee Services Limited
5. Beacon Trusteeship Limited

**Credit Ratings**

Considering the operational and financial performance of your Company, its rating has been assigned and reaffirmed to BBB Stable by ICRA Limited during the financial year under review.

**3.Dividend:**

Although the Company has earned profit, the Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any dividend for the financial year ended March 31, 2023.

**4. Transfer to Reserves:**

During the financial year the Company has carried forward Profit & Loss balance of INR 2,587.40 (In Lakhs) to surplus during the year and in accordance with the provision of Section 45-IC of the Reserve Bank of India Act, 1934 the company has transferred to statutory Reserve 20% profit after tax i.e. an amount of INR 659.62 (In Lakhs)

## **5. Change in the nature of business, if any:**

There has been no change in the nature of business of the Company during financial year under review.

## **6. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year and the date of the report:**

There have been no material changes and/or commitments occurred subsequent to the close of the financial year of the Company to which the balance sheet relates i.e., March 31, 2023 and up to the date of signing of this report, which might affect the financial position of the Company.

## **7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There has been no order, whatsoever, passed or issued by any regulators, courts or tribunals, which might affect the going concern status and company's operations in future.

## **8. Risk Management Policy, development and its implementation:**

The Company's Risk Management Policy with a robust supporting risk management framework facilitates identification and assessment of new risks and review of presently identified risks. The process is based on identified risks and the risk events or factors which require regular assessment and quick response. Based on the probability & impact of the risk, the requisite controls and action plans have been designed and implemented. The Key Risk Indicators have been identified to measure the adequacy, effectiveness and efficiency of these, controls and action plans.

## **9. Internal Control Systems:**

The Company's internal control systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

## **10. Directors' Responsibility Statement:**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a 'going concern' basis; and
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **11. Public Deposits:**

During the year under review, the Company has not accepted any deposits from the public within the meaning of Companies Act, 2013 and rules made there under.

### **12. Statutory Auditors:**

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, M/s Suri & Sudhir, Chartered Accountants, (FRN 000601N), Delhi were appointed as Statutory Auditors of the Company for the period of 5 years starting from 01/04/2022 to 31/03/2027 in the Annual General Meeting of the Company held in 2022.

Board's explanation and Comments on Auditors report: The Notes on Accounts read with the Auditors Report are self-explanatory and therefore do not require any further comments or explanations as the Auditor's Report given by auditors of the Company doesn't contain any qualification, reservation, or adverse remarks.

The Statutory Auditors in their report for the financial year ended March 31, 2023 does not refer about any fraud.

Pursuant to the guidelines issued by RBI for appointment of Statutory Auditors of Non Deposit taking Systemically Important NBFC with asset size of more than INR 1000 Crore vide its Circular on No. Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021, NBFCs that meet the given criteria cannot have an Audit Firm or an Auditor as its Statutory Auditor for more than a term of Three Years.

Since the Asset size of your Company has crossed INR 1000 Crore in March, 2023 the said circular is applicable and as a matter of fact, Suri & Sudhir have given their resignation from their position as Statutory Director. The Company have received consent letter from M/s Serva Associates to act as the statutory auditor of the Company for conducting the Audit for the FY 2023-26 and upon recommendation of the Audit Committee, the Board of Directors have accepted appointment letter from M/s Serva Associates.

### **13. Cost Auditor:**

As per the Section 148(1) of the Companies Act, 2013 the provisions of maintenance of cost records are not applicable on the Company for the Financial Year 2022-23.

### **14. Secretarial Auditor:**

The Company was not required to appoint any Secretarial Auditor in terms of the applicable provisions of section 204 of the Companies Act, 2013 read with relevant rules framed there under during the period under review. Therefore, no secretarial audit report is required to be obtained.

### **15. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:**

The disclosure under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to foregoing matters are as follows.

#### **a. Conservation of Energy:**

Since the Company does not own any manufacturing facility, the particulars relating to conservation of Energy and technology absorption in the above rules are not applicable.

**b. Technology Absorption:**

The Company is not involved in any activity relating to technology absorption.

**c. Foreign Exchange Earning & Outgo: (in INR)**

The Foreign Exchange earnings & outgo during the year was as follows:

Particulars	2022-23 (in lakhs)	2021-22 (in lakhs)
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	1022.21	-

**16. Corporate Social Responsibility (CSR):**

The provisions pertaining to the Corporate Social Responsibility (“CSR”) in terms of the section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are applicable on the Company since the Company has crossed the limit of Net Profit of Rs. 5 crores for the financial year ended March 31, 2022.

In pursuit of this a Corporate Social Responsibility (CSR) Committee had been formed by the Company which oversees the activities relating to activities supporting the social and environmental causes. The committee consists of following members

S no.	Name	Designation
1.	Shruti Aggarwal	Director
2.	Tushar Aggarwal	Director
3.	Radhakrishnan Ramachandra Iyer	Independent Director

The Company has in place a Corporate Social Responsibility Policy pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

During the year Two (2) CSR Meetings were held on 16<sup>th</sup> Day of November 2022 and 13<sup>th</sup> February, 2023. The CSR Report is enclosed as **Annexure II**

**17. Extract of the Annual Return:**

MCA vide Notification dated 05.03.2021 (effective from same date) has substituted Rule 12 of Companies (Management and Administration), Rules, 2014 and have done away with the requirement of filing the Extract of the annual return in Form MGT-9 but the same has been uploaded on the website of the Company [www.akaracap.com](http://www.akaracap.com).

**18. Contracts or Arrangements made with Related Parties Referred to in Sub-Section (1) of Section 188 of the Act**

The Company had entered into the related party transactions and these took place at arm’s length basis in the ordinary course of business. The Contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 are furnished in **Annexure –I** and is attached to this Report.

**19. Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013:**

The Company has not entered into any transaction of or given, whether within the prescribed limit or beyond the limit, any loan, guarantee or investments under section 186 of the Companies Act, 2013. Accordingly, no disclosure is required to be made by the Company in this regard.

**21. Number of meetings of the Board of Directors:**

During the period under review, the Board of Directors of the Company met 17 times. The intervening gap between any two board meetings was within the period prescribed by the Companies Act, 2013 ('Act') and the Articles of Association ('AoA') of the Company. Proper quorum was present at all the Board meetings held. The Board meetings held during the year are mentioned below

<b>S. No.</b>	<b>Date of the Board Meeting</b>	<b>No. of Directors required to attend the BM</b>	<b>No. of Directors attended the BM</b>
1.	27 <sup>th</sup> April 2022	5	5
2.	04 <sup>th</sup> May 2022	5	5
3.	11 <sup>th</sup> May 2022	5	4
4.	27 <sup>th</sup> May 2022	5	5
5.	23 <sup>rd</sup> June 2022	5	3
6.	27 <sup>th</sup> July 2022	5	5
7.	17 <sup>th</sup> August 2022	5	5
8.	29 <sup>th</sup> September 2022	5	5
9.	20 <sup>th</sup> October 2022	5	5
10.	29 <sup>th</sup> October 2022	5	5
11.	17 <sup>th</sup> November 2022	5	5
12.	24 <sup>th</sup> November 2022	5	5
13.	13 <sup>th</sup> December 2022	5	5
14.	16 <sup>th</sup> December 2022	5	5
15.	10 <sup>th</sup> January 2023	5	5
16.	13 <sup>th</sup> February 2023	5	5
17.	28 <sup>th</sup> March 2023	5	5

**22. Annual General Meeting/ Extra-Ordinary General Meeting:**

During the financial year 2022-23, following are the details of the Annual General Meeting ("AGM") and Extra-Ordinary General Meeting ("EGM"):

<b>Sr. No</b>	<b>Type of Meeting</b>	<b>Date of AGM/ EGM</b>	<b>Total Number of Members</b>	<b>Number of Members present</b>
1.	AGM	17 <sup>th</sup> August 2022	2	2
2.	EGM	30 <sup>th</sup> April, 2022	2	2
3.	EGM	06 <sup>th</sup> July, 2022	2	2
4.	EGM	29 <sup>th</sup> September 2022	2	2
5.	EGM	20 <sup>th</sup> October 2022	2	2
6.	EGM	24 <sup>th</sup> November 2022	2	2

## **23. Committees of the Board**

### **i. Audit Committee**

The Board has constituted Audit Committee which consists of Mr. Tushar Aggarwal (Managing Director), Ms. Shruti Aggarwal (Director), Mr. Radhakrishnan Ramachandra Iyer (Independent Director), Mr. Vijay Ronjan (Independent Director), Mr. Vijay Jasuja (Independent Director)

The constituted Audit Committee meets the requirements as prescribed under Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee, inter alia, include overseeing financial reporting process, reviewing the financial statements and recommending appointment of Auditors.

During the year 3 (Three) Audit Committee Meetings were held.

<b>Sr. No</b>	<b>Date of Meeting</b>	<b>Total Number of Members</b>	<b>Number of Members present</b>
1.	16 <sup>th</sup> November, 2022	5	5
2.	16 <sup>th</sup> December, 2022	5	5
3.	13th February, 2023	5	5

### **ii. Nomination and Remuneration Committee**

The Board has constituted Nomination and Remuneration Committee which consists Mr. Tushar Aggarwal (Managing Director), Ms. Shruti Aggarwal (Director), Mr. Radhakrishnan Ramachandra Iyer (Independent Director), Mr. Vijay Ronjan (Independent Director), Mr. Vijay Jasuja (Independent Director) as its members.

The constituted Nomination and Remuneration Committee meets the requirements as prescribed under Section 178 of the Companies Act, 2013.

The Committee's scope of work includes identifying the persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and carry out evaluation of every director's performance, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation

The Company has in place a Nomination and Remuneration Policy relating to the appointment and remuneration for the directors, key managerial personnel and other employees.

During the year (one) Nomination and Remuneration Meeting was held

<b>Sr. No</b>	<b>Date of Meeting</b>	<b>Total Number of Members</b>	<b>Number of Members present</b>
1.	16 <sup>th</sup> December, 2022	5	5

### **iii Management and Operations Committee**

The Board has constituted Management and Operations Committee which comprises of Mr. Tushar Aggarwal (Managing Director) and Ms. Shruti Aggarwal (Director) as its members.

During the year (13) MOCB Meetings were held

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	28 <sup>th</sup> September, 2022	2	2
2.	27 <sup>th</sup> October 2022	2	2
3.	16 <sup>th</sup> November 2022	2	2
4.	21 <sup>st</sup> November 2022	2	2
5.	27 <sup>th</sup> December 2022	2	2
6.	29 <sup>th</sup> December 2023	2	2
7.	2 <sup>nd</sup> January 2023	2	2
8.	25 <sup>th</sup> January 2023	2	2
9.	1 <sup>st</sup> February 2023	2	2
10.	2 <sup>nd</sup> March 2023	2	2
11.	6 <sup>th</sup> March 2023	2	2
12.	20 <sup>th</sup> March 2023	2	2
13.	30 <sup>th</sup> March 2023	2	2

#### **24.Directors and Key Managerial Personnel:**

##### **Board of Directors as on 31<sup>st</sup> March, 2023**

The following directors are holding office:

Sr. No.	DIN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Managing Director	11/02/2016
2	06867269	Ms. Shruti Aggarwal	Director	11/02/2016
3	01309312	Mr. Radhakrishnan Ramachandra Iyer	Independent Director	03/02/2021
4	09345384	Mr. Vijay Ronjan	Independent Director	24/02/2022
5	07924822	Mr. Vijay Jasuja	Independent Director	17/08/2022

##### **Key Managerial Personnel**

Sr. No.	PAN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Managing Director	11/02/2016
2	AKAPT9620P	Sonia Rakesh Thakur	Company Secretary	03/08/2022

#### **25.Changes in Directors and Key Managerial Personnel:**

During the year, Mr. Satish Chandra Sinha (Director) of the company has resigned from his designation on 17<sup>th</sup> August, 2022 and Mr. Tushar Aggarwal was appointed as the Managing Directors w.e.f 17<sup>th</sup>



August, 2022. Further, Ms. Paveet resigned from the position of Company Secretary on 01<sup>st</sup> August, 2022 and Ms. Sonia Thakur was appointed as Company Secretary on 03<sup>rd</sup> August, 2022.

## **26. Managerial Remuneration:**

The Company being a private limited company, provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

## **27. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) as prescribed under POSH has been set up to redress complaints received regarding sexual harassment and comprises of below members:

- Ms. Shruti Aggarwal- Director
- Mr. Varun Chhabra- Vice President, Internal Audit
- Ms. Dhamija – External Member
- Mr. Sanjeev Walia – AVP, IT
- Ms. Kanika Sikka – Legal - Senior Manager

Following is the summary of sexual harassment complaints received and disposed-off during the financial year ended March 31, 2023:

- a. No. of Complaints received: Nil
- b. No. of Complaints disposed-off: Nil
- c. No. of cases pending: Nil

## **28. Compliance with Secretarial Standard**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

During the year under review the Company have complied all the secretarial standards issued by the Institute of Company Secretaries of India.

## **29. Declaration of Independent Directors**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company. However, the Company has appointed Mr. Radhakrishnan Ramachandra Iyer, Mr. Vijay Ronjan and Mr. Vijay Jasuja as the Independent Director of the Company and the required declarations have been obtained from them.

## **30. Annual Evaluation of the Board, Committees and Individual Directors:**

Pursuant to the provisions of Section 178(2) and Section 134(3)(p) of the Companies Act, 2013 read with rules made thereunder and Nomination and Remuneration Policy of the Company, Nomination and

Remuneration Committee of the Board of Directors have carried out annual performance evaluation of the Board, the Directors individually as well as the evaluation of the working of its Committees.

As the ultimate responsibility for sound governance and prudential management of a Company lies with its Board, it is imperative that the Board remains continually energized, proactive and effective. The Companies Act, 2013 not only mandates evaluation of the Board, its Committees and Directors, but also at the same time requires the evaluation to be formal, regular and transparent.

The Nomination and Remuneration Committee of the Board evaluated the performance of individual Director(s) on the Board excluding the Director being evaluated, the Board as a whole, Chairperson of the Board and all of its Committees based on the evaluation criteria of the Company defined under Nomination and Remuneration Policy.

It was further acknowledged that every individual Member and Committee of the Board contribute their best in the overall growth of the organization and the Board of Directors expressed their satisfaction with the evaluation process.

### **31. Company's Policy relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. However, the Company has devised the policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

### **32. Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

### **33. Disclosure of Composition of Audit Committee and Providing Vigil Mechanism**

The company has constituted the Audit Committee and adopted the policy as per the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013.

### **34. Particulars of Employees**

During the year none of the employees are in receipt of remuneration of more than INR One Crore and Two Lakhs, or employed for the part of the year under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

### **35. Adequacy of Internal Financial Control**

The details in respect of adequacy of internal financial controls with reference to the Financial Statement as mentioned in Annexure B of Auditor Report with respect to section 143 of the Companies Act, 2013.

### **36.Registration as a Systemically Important Non-Deposit taking NBFC**

The Company has been registered with the Reserve Bank of India as a Non-Banking Financial Institution (Non-Deposit taking). In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is categorized as a "Systemically Important Non-Deposit taking Non-Banking Financial Company". The Company has not accepted public deposits during the year under review. The company is fulfilling all requirement as per the guidelines issued by RBI.

### **37. Change of status from NBFC-ND-NSI to NBFC-ND-SI**

The Company crossed the asset size of Rs. 500/- Crores as per the provisional financials dated 31st March, 2022 and thus, as per the Master Circular DNBR (PD) CC.No.055/03.10.119 /2015-16 dated July 01, 2015 and Revised Regulatory Framework for NBFC Circular DNBR (PD) CC. No. 002/03.10.001/2014-15 dated November 10, 2014 that defines the criteria for NBFC-ND-SI as follows:

*“A non-deposit taking NBFC with an asset size of less than Rs. 500 crore as on balance sheet date might subsequently add on assets before the next balance sheet date due to several reasons including business expansion plan. It is clarified that once an NBFC reaches an asset size of Rs. 500 crore or above, it shall come under the regulatory requirement for NBFCs-ND-SI as stated above, despite not having such assets as on the date of last balance sheet. Therefore, it is advised that all such non-deposit taking NBFCs may comply with RBI regulations issued to NBFC-ND-SI from time to time, as and when they attain an asset size of Rs. 500 crore, irrespective of the date on which such size is attained.”*

Thus, henceforth our company be deemed as NBFC-ND-SI.

### **38. Management Discussion and Analysis Report**

In accordance with the applicable provisions of the Master Direction issued by the Reserve Bank of India ("RBI") and a detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, as Annexure III.

### **39. General**

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review:

- There is no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the FY 2022-23.
- The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

#### **40. Acknowledgements:**

The Directors wish to express their gratitude to the business associates, customers, bankers and agencies of union and state government and other stakeholders for their continues support and assistance.

**By the Orders of Board of Directors  
For Akara Capital Advisors Private Limited**

**Sd/-  
Tushar Aggarwal  
(Managing Director)  
DIN: 01587360  
Add: 6A/2, Raj Narain Road,  
Civil Lines, New Delhi – 110054**

**Sd/-  
Shruti Aggarwal  
(Director)  
DIN: 06867269  
Add: 6A/2, Raj Narain Road,  
Civil Lines, New Delhi - 110054**

**Date: 14<sup>th</sup> August, 2023  
Place: New Delhi**

**Annexure I**

**Form No. AOC-2**

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis: NA**

- (a) Name(s) of the related party and nature of relationship:  
 (b) Nature of contracts/arrangements/transactions:  
 (c) Duration of the contracts / arrangements/transactions:  
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
 (e) Justification for entering into such contracts or arrangements or transactions  
 (f) Date(s) of approval by the Board:  
 (g) Amount paid as advances, if any:  
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

**1. Details of material contracts or arrangement or transactions at arm's length basis:**

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Name(s) of the related party	nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value (in lakhs), if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Morus Technologies Pte. Ltd	Holding Company	1. Issue and allotment of equity share capital  2. Foreign Loan received from Holding Company (ECB)  3. Interest Payment on Foreign Loan  4. Amount received for Expense Reimbursement incurred in PF	Continuous	5936.88  24193.19  798.27  10.60	-	-

EQX Analytics Private Limited	Fellow subsidiary company	1. Lead Generation Expenses	Continuous	3103.38	-	-
		2. Loan Disbursements and Collections through Intermediary		4486.88		
		3. Employee costs and reimbursements-Infra Sharing Expenses Payable		33.61		
		4. Employee costs and reimbursements-Infra Sharing Expenses Paid		18.54		
Titanium Fortune Financial Services Private Limited	Fellow subsidiary company	1. Loan Given	Continuous	9833.6	-	-
		2. Loan Payment Received Back		9833.6		
		3. Interest Income on Loan Given		32.4		
		4. Loan Taken		1348		
		5. Loan Repaid		1348		
		6. Interest Payment on Loan Given		10.8		
Stash Payments Private Limited	Common Control (Strike off Status as on date)	Reimbursement of Expenses	-	10.32	-	-
Tushar Aggarwal	Managing director	-	Continuous	-	--	

Shruti Aggarwal	Director	1. Managerial remuneration	Continuous	33.6875	--	-
		2. Reimbursement of Expenses		9.60		
Satish Chandra Sinha	Director	1. Director Sitting	-	1.50	--	-
		2. Other Professional Fees		0.75		
Radhakrishnan Ramachandra Iyer	Independent Director	1. Directors sitting fees	Continuous	15	-	-
		2. Reimbursement of Expenses		0.03		
Vijay Jasuja	Independent director (w.e.f 17-08-2022)	1. Directors sitting fees	Continuous	9	-	-
		2. Reimbursement of Expenses		0.36		
Vijay Ronjan	Independent director	Directors sitting fees	Continuous	14.25	-	-
Paveet Dhaiya	Company Secretary (till 02-08-2022)	Managerial remuneration	-	0.69	-	-
Sonia Rakesh Thakur	Company Secretary (w.e.f 03-08-2022)	1. Managerial remuneration	Continuous	11.17	-	-
		2. Reimbursement of Expenses		0.12		

**Annexure II**  
**ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2022-23**

**1. Brief Outline on CSR Policy of the company:** Akara Capital Advisors Private Limited as a responsible Corporate entity commit to undertake appropriate CSR measures having positive economic, Social, Environmental Impact to transform lives and to help build more capable and vibrant communities by integrating business values and strengths.

**2. Composition of CSR Committee:**

S.no	Name of Director	Designation	No. of meeting held during the year	No. of CSR Committee attended during the year
1.	Mr. Tushar Aggarwal	Chairman and Managing Director	2	2
2.	Ms. Shruti Aggarwal	Member	2	2
3.	Mr. Radhakrishnan Iyer	Member	2	2

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.** [www.akaracap.com](http://www.akaracap.com)

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).** Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – Not Applicable**

S.no	Financial Year	Amount available for set -off from Preceding Financial Year	Amount available for set -off for the for the Financial Year, If any,

**6. Average net profit of the company as per section 135(5):** Average Net Profit of Rs. 37,535,699/-

<b>7.</b>	(a) Two percent of average net profit of the company as per section 135(5):	Rs. 7,50,712/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous -financial years.	NIL
	(c) Amount required to be set off for the financial year, if any.	NIL
	(d) Total CSR obligation for the financial year (7a + 7b + 7c)	Rs. 7,50,712/-



**7. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in Rs. Lakhs)	Date of transfer	Name of Fund	Amount (in Rs. Lakhs)	Date of transfer
Rs. 6,28,298/- (In lakhs)	NIL	NIL	Clean Ganga Fund	Rs. 1,22,414/- (In Lakhs)	24 <sup>th</sup> August, 2023

**(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. n o.	Nam e of the Proje cts	Item from the list of activi ties in Sched ule Vii of the Act	Local Area (yes/ no)	Location of the Projects		Proje ct Durat ion	Amou nt Alloca ted for the Projec ts (in Lakhs)	Amo unt spen t in curre nt FY (in Lakh s)	Total Amoun t transfe rred to Unspen t CSR Accoun t for the project s as per section 135(6)	Mode of Implement ation Direct (yes/no)	Mode of Implementa tion- Through Implementa tion Agency	
				Sta te	Distr ict						Na me	CSR Reg. No.

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. no .	Name of the Projects	Item from the list of activities in Schedule Vii of the Act	Local Area (yes/no)	Location of the Projects		Amoun t spent for the project (in Lakhs)	Mode of Implementati on Direct (yes/no)	Mode of Implementatio n- Through Implementatio n Agency	
				Stat e	Distri ct			State	District
1	Seminar of Kamalnayan Bajaj Fellowship Class 8 for	Promoting Education	Yes	New Delhi		3,00,000	No	Ananta Aspen Centre - New Delhi	

	the year 2022-23.						
2	Araku Haryali Project	Generating Livelihood for Farmers and Eradicating Hunger	No	Araku, Andhra Pradesh	1,64,149	No	Naandi Foundation, Telengana
3	Promoting education including special education and employment enhancing vocational skills	Promoting education including special education and employment enhancing vocational skills	Yes	New Delhi	1,64,149	No	The Design Village Foundation – New Delhi

<b>(d) Amount spent in Administrative Overheads</b>	<b>Nil</b>
<b>(e) Amount spent on Impact Assessment, if applicable</b>	<b>Nil</b>
<b>(f) Total amount spent for Financial Year (8b+8c+8d+8e)</b>	<b>Rs. 7,50,712/-</b>

**(g) Excess amount for set off, if any.**

<b>S. no</b>	<b>Particular</b>	<b>Amount (in Lakhs)</b>
<b>i.</b>	Two percent of average net profit of the company as per section 135(5)	Rs. 7,50,712/-
<b>ii</b>	Total amount spent for the Financial Year	Rs. 6,28,298/- (In lakhs)
<b>iii</b>	Excess amount spent for the financial year ((ii)-(i))	NIL
<b>iv</b>	Surplus arising out of the CSR projects or programmes or activities of the previous Nil financial years, if any	NIL
<b>v</b>	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

**9 (a) Details of Unspent CSR amount for the preceding three financial years:**

<b>S.no.</b>	<b>Preceding Financial Year</b>	<b>Total Amount transferred to Unspent CSR Account for the projects</b>	<b>Amount spent in reporting FY (in Lakhs)</b>	<b>Amount transferred to any fund specified under Schedule VII as per section 135(6), if any</b>	<b>Amount remaining to be spent in succeeding Financial</b>

		as per section 135(6)		Name of the Fund	Amount (in Rs Lakhs).	Date of transfer	year (in Lakhs)
NA							

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. no.	Project Id	Name of the Projects	FY in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs Lakhs).	Amount spent on the project in reporting FY (in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (in Rs. Lakhs)	Status of the project (completed / Undergoing)

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

(a) Date of creation or acquisition of the capital asset(s).	NA
(b) Amount of CSR spent for creation or acquisition of capital asset.	NA
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NA
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NA

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable**

**By the Orders of Board of Directors  
For Akara Capital Advisors Private Limited**

**Sd/-**  
**Tushar Aggarwal**  
**(Managing Director)**  
**DIN: 01587360**  
**Add: 6A/2, Raj Narain Road,**  
**Civil Lines, New Delhi – 110054**

**Sd/-**  
**Shruti Aggarwal**  
**(Director)**  
**DIN: 06867269**  
**Add: 6A/2, Raj Narain Road,**  
**Civil Lines, New Delhi - 110054**

**Date: 14<sup>th</sup> August, 2023**  
**Place: New Delhi**

## **Annexure III**

### **Management Discussion and Analysis Report**

#### **Economy and Industry Outlook- Opportunities and Challenges**

India witnessed some turbulent times in the past years especially due to outbreak of Covid 19. Banking industry has showcased its strength by sustaining through these tough times under the guidance of various directives and policies released by Reserve Bank of India.

Performance of the company is substantially linked to the performance of the overall economy. The Indian Economy is rebounding well with increasing wages and consumption. Government focus on capital expenditure will further augment the job opportunities in the country. With the covid years now hopefully behind us, the services industry is growing seamlessly as well. As per the RBI Monetary Policy, India will remain the fastest growing economy in the World and grew at 7.0% during FY23. India is bound to grow towards reaching the landmark GDP of USD 5 Trillion in coming years.

Apart from opportunities, Banking Industry has witnessed challenges as RBI increased the repo rate by 250 basis points in FY23 on the back drop of increasing inflation due to global issues like Ukraine war, supply chain issues and increasing commodity prices. Liquidity got moderated and lending prices has gone up. However, India still is a bright spot due to its high population density with most of the population being young who will be joining the rising middle class. The growing middle class possesses' high consumption power which will lead to growth in the economy on various fronts. As per the IMF, India is bound to grow at upwards of 6% for the next few years.

Indian banking industry is welcoming Fintech companies/NBFCs with lot of factors supporting it. Inclusion of technology in day-to-day lifestyle, Rising wages and spending power, growth in job opportunities with focus on formal employment, financial inclusion, penetration of Internet etc. Due to these factors and a large addressable market, substantial chunk of investment capital is flowing into the Fintech space.

#### **Business Outlook and Performance**

Our Company operates in the Financial Services Industry and is registered as an NBFC (Non-Banking Finance Company). It gives us immense pride to state that we have disbursed INR 4700+ crores since inception. Primarily, the company is into lending unsecured personal loans to its customers. In FY22-23, a feat of disbursal of INR 2800+ crores has been achieved. Although Akara is based out of Delhi disbursal is being done across various cities and states/UT's of India. Akara has onboarded more than 20 Lacs customers with monthly active user exceeding 40 Lacs.

#### **Financial and Operational Performance**

1. Overall disbursement has gone up by 138% YoY at INR 2800+ crores as on FY23.
2. AUM of the company increased by 163% at INR 1465+ crores as on FY23.
3. Disbursed more than 37 Lacs loans since inception keeping average ticket size below INR 60,000 per customer showcasing diversification of portfolio and risk.
4. Raised funds to the tune of On Balance sheet Debt of INR 1100 crores from various Financial Institutions/Banks keeping liquidity and ALM in perspective.
5. Diversification of borrowings profile as of FY23 achieved to larger extent by onboarding new lenders across various product like Listed NCD, Unlisted NCD, Commercial Paper, WCDL and Term Loans. Federal Bank and AU SFB was onboarded during FY23.
6. PAT stood at INR 25.91 crore increasing 296% on YOY basis.

7. Capital Adequacy stood at 33.92% with Debt to Equity standing at 2.4x.
8. With regards to RBI circular dated Sept 02, 2022 on Digital Lending Guidelines, company is in full compliance with circular.
9. The Company's rating was upgraded from ICRA BBB- to ICRA BBB (stable) in October 2022 by ICRA Limited, which is one of the leading rating agencies.
10. We issued Listed Non-Convertible Debentures on BSE for the first time on December 31, 2022.

## **Risk Management**

### **ALM Risk**

ALM of the company is closely monitored on quarterly basis. Debt Capital Market team focuses on diversification of liability. Borrowing sources includes ECB, Listed and Unlisted NCD, CP, WCDL, Term Loan from various Private Banks, NBFC, AMC and DFI's etc. Tenure of both assets and liability is closely monitored. DCM team focuses on reducing interest rates, diversifying funding sources, short term and long-term liquidity.

### **Credit & Operational Risk**

Credit Risk is managed through a robust underwriting framework which leverages application information, credit bureau and alternate data sources. A combination of rules and predictive modelling is used for this purpose. The portfolio is monitored on regular basis at segment level to detect emerging risks and take corrective measures where ever needed. A committee-based approval process is followed to manage changes with respect to Credit extension policies. Periodic monitoring is also conducted to detect Operational breakdowns.

### **IT Security Risk**

Company continuously endeavours to work towards risk management pertaining to IT security. Securing customer data is one of the prime objectives. Company has installed inhouse developed soft diallers at Collection Agencies which are monitored on regular basis which showcases effort towards data privacy. Various checks are regularly monitored to control data privacy risk.

Company tracks various aspects of the business operations by having committee like Management Operations, Audit, Risk Management and CSR. These committee endeavours Board to track and guide the business activities and mitigate risk.

### **Awards and Recognition**

Akara Group has been awarded with few awards and accolades in last few years:

- (a) E4M IDMA Award for FinFriday Marketing Campaign: Aug 2023
- (b) Best Team Project in User Engagement Growth- Fintech: 3<sup>rd</sup> chapter of Technology Excellence Awards Delhi: Feb 2023
- (c) e4MMavericks Awards: Best App Growth 2023: June 2023
- (d) 'Appscale Academy' certification by Google Play and MeitY Startup: Oct 2022
- (e) Best Cloud Initiative- Fintech at the 3<sup>rd</sup> Annual BFSI Technology Excellence Awards Program: Apr 2022

### **Material Development in Human resources**

In the last 1 year, HR function has extensively focused on building a high performing culture within the firm. There were various interventions developed during the year to build a robust system with transparency in communication firm-wide alongside creating learning & growth opportunities for employees.

**Some of the key initiatives taken during the year are:**

**A transparent goal setting process:** The functional heads were empowered to build their AOP and drive their budgets for their respective departments based on the AOPs built by them. These AOPs were then cascaded to individual wise goals with pre-determined KPIs so that there is a complete transparency in the performance assessment & evaluation process. The HR function ensured that each new joiner knew about the expectations from him/her, aligned to his manager, right at the time of on-boarding the company to mitigate any risk of disengagement and ambiguity in job roles

**Established communication forums like Townhalls & Leadership sessions:** These interventions ensured that all employees firm-wide knew about the key developments within the firm across functions. All efforts were directed to share the vision, mission & values with no barriers of hierarchy, grade, positioning in the firm. All employees shared a common goal and were encouraged to play their pivotal role in fulfilling it.

**Stash Academy:** An in-house learning platform where gainers & trainers are amongst the employees. Multiple learning programs on themes pertaining to technology, behaviour, functional & general skill & knowledge enhancement were facilitated throughout the year.

**ENPS Survey:** Facilitated by a third party to track employee engagement and measure the impact of our culture initiatives.

**Wellness initiatives at workplace:** Health Check-up camps, Counselling Programmes & annual health check-up were conducted at frequent intervals to address the soft issues and to create an inclusive work culture.

**An extensive AOP setting session at an offsite location:** A 3 day offsite involving the leadership team to mutually create and agree upon the firm's AOP & goals for the current FY.

**Pay for Performance Plan:** The firm focussed on implementing a pay for performance plan where high performers were rewarded abundantly, creating & setting up internal benchmarks of performance within the firm. The bonus schemes permitted employees to earn upto 1x of their fixed pay for superlative performance levels.

**Creating leadership team & strengthening the talent pool:** The organization structure evolved during the year which led to creation of multiple leadership positions. The incumbents of the positions were hired industry wide from top notch companies enhancing the knowledge pool of the firm. The leaders were then encouraged to build their own teams to ensure that the function is fully aligned and there is trust and mutual consensus in the function from day 1.



**INDEPENDENT AUDITOR'S REPORT**

To the Members of **M/s Akara Capital Advisors Private Limited**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **"M/s Akara Capital Advisors Private Limited"** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and Changes in Equity for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.





## **Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on other Legal & Regulatory Requirements

1. Based on our audit, we report that the provisions of section 197 read with Schedule V of the Act are not applicable to the company since the company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraphs 3 and 4 of the Order.
3. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (Including Other Comprehensive Income), the statement of changes in equity and the standalone statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
  - g. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company as detailed in Note No38 to the Standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at 31<sup>st</sup> March 2023.
    - (ii) The company had not entered into any long term contracts including derivative contracts as on 31<sup>st</sup> March 2023.
    - (iii) There were no amounts which are required to be transferred to Investor Education and &



Protection Fund by the company during the year ended 31<sup>st</sup> March 2023.

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(v) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

(vi) The Company has not declared or paid any dividend during the year ended 31<sup>st</sup> March 2023.

For Suri & Sudhir  
Chartered Accountants  
FRN: 000601N

Sud

Sudhir Kumar Arora  
(Partner)  
Membership. No.: 080338



Date: 29-05-2023  
Place: New Delhi

UDIN No.23080338BGUCZC8926



**Annexure 'A' to the Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited**

- (i)
- (a)(A). The company do not possess any property, plant or equipment as on 31<sup>st</sup> March 2023. Hence para (i)(a)(A) is not applicable.
- (B). The company has maintained proper records showing full particulars of intangible assets.
- (b) The company do not possess any property, plant or equipment as on 31<sup>st</sup> March 2023. Hence para (i)(b) is not applicable.
- (c) Since the company is not in the possession of any immovable property hence this clause is not applicable.
- (d) The Company has not revalued it's intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- (a) As the Company does not possess any inventory therefore Para (ii) do not apply.
- (b) That the company has sanctioned a working capital limit (WCDL) of Rs 2500 lakhs from financial institution on the basis of security of current assets i.e., book debts of the company and corporate guarantee by the holding company on 28<sup>th</sup> February 2023. Quarterly Returns/Statements, in respect of book debts have been filed by the company with the financial institution.
- (iii)
- (a) Since, the principal business of the Company is to give loans and hence, clause (iii)(a)(A) and (iii)(a)(B) are not applicable.
- (b) The loans granted by the company to parties covered under section 189 are repayable on demand or without specifying any terms or period of repayment. Hence para (iii)(b), is not applicable.
- (c) The loans granted by the company to parties covered under section 189 are repayable on demand or without specifying any terms or period of repayment. Hence para (iii)(c) is not applicable.
- (d) The loans granted by the company to parties covered under section 189 are repayable on demand or without specifying any terms or period of repayment. Hence para (iii)(d) is not applicable.
- (e) Since, the principal business of the Company is to give loans and hence, clause (iii)(e) is not applicable.
- (f) The company has granted loans that do not carry any stipulated repayment terms and are repayable on demand of which details are as under:





## Annexure 'A' to the Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited

Particulars (Amount in INR Lakhs)	All Parties	Promoters	Related Parties
Aggregate outstanding amount of loans/advances in nature of	1,06,809.47	Nil	9,833.60
- loans repayable on demand			
Percentage of loans/advances in nature of loans to the total loans	100%	Nil	9.20%

*Amount of loan has been repaid excluding the interest amount of Rs 10.37 Lakhs as on 31<sup>st</sup> March 2023.*

(iv) The company has given loans & advances to parties covered under section 185 and 186 as provided in para (iii)(f) of the order for its principal business activities. The company has complied with the provisions of Companies act 2013 in respect to this.

(v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, in our opinion the maintenance of cost records has not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii)

(a) In our opinion and according to the information and explanation given to us, the company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they become payable. There are no dues of Goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.

(b) That no instance or information has come on our records in context to the Company been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.





**Annexure 'A' to the Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited**

- (e) According to the information and explanation given to us, and on overall examination of the standalone financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligation of its Associate or Subsidiary or Joint Venture.
- (f) According to the information and explanation given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiary.
- (x)
- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- b) According to the information and explanations given the company has raised funds by issuing non-convertible debentures through private placement. The funds have been utilised for the purpose for which they were raised.
- (xi)
- (a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given the details are mentioned in note no 38 of notes to accounts.
- (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable Indian accounting standards. (Ind As 24), Related party disclosures specified in companies (Indian accounting standards) Rules 2015 as prescribed in section 133 of the act. Further, according to the information and explanations given to us, the company has constituted an audit committee under section 177 of the Act.
- (xiv)
- (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 as on 31st March 2023. The same will be applicable from FY 2023-24 as the turnover of the company has exceeded 200 Crores in FY 2022-23.
- (b) The company did not have an internal audit system for the period under audit.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them.



**Annexure 'A' to the Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited**

(xvi)

(a) The company is required to hold Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934, and they hold a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934 vide certificate no. RBI Reg No. NBFC LC N- 14.03354 / 16/01/2017.

(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 and hence the company has conducted all Activities with a valid Certificate.

(c) According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi) (c) is not applicable.

(d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi)(d) is not applicable.

(xvii) The company has not incurred cash losses in the current financial year as well as immediately preceding financial year

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)

(a) The company has transferred the amount remaining unspent in respect of other than ongoing projects, to a Special Account till the date of our report. However, the time period for such transfer i.e., six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.

(b) There are no unspent amounts in respect of ongoing projects for the financial year ended 31st March 2023.



(xxi) The reporting under clause 3(xxii) of the order is not applicable in respect of audit of standalone financial statements of the company. Accordingly, no Comments has been included in respect of said clause under the report.

**Annexure 'A' to the Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited**

**For Suri & Sudhir  
Chartered Accountants  
FRN: 000601N**

*Sul*



**Sudhir Kumar Arora  
(Partner)  
Membership Number: 080338**

**Date: 29/05/2023  
Place: New Delhi**

**UDIN No. 23080338BGUCZC8926**



## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Akara Capital Advisors Private Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standard on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

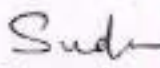
## Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Suri & Sudhir  
Chartered Accountants  
FRN: 000601N

  
Sudhir Kumar Arora  
(Partner)

Membership No.: 080338  
UDIN No.23080338BGUCZC8926



Date-29-05-2023  
Place- New Delhi

**Akara Capital Advisors Private Limited**  
**Balance Sheet as at March 31, 2023**  
 (All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Note	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
<b>A. ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1	-	11.12	11.12
Intangible (Under Development)	1	49.97	34.99	-
Long-term loans	1	1,301.45	599.56	385.25
Financial assets		-	-	-
- Investments	2	82.04	-	-
- Loans	3	26,471.37	16,098.24	-
- Others	4	398.18	205.56	-
Income tax assets (net)		-	-	-
Other non-current assets		-	-	-
Deferred tax Assets (net)	5	-	41.52	-
<b>Total non-current assets</b>		<b>28,963.08</b>	<b>17,487.98</b>	<b>386.45</b>
<b>Current assets</b>				
Inventories		-	-	-
Financial assets		-	-	-
- Investments	2	-	-	-
- Loans	3	88,600.94	33,421.14	9914.72
- Trade receivables	6	3,294.07	2,321.31	2,112.47
- Cash and cash equivalents	7	17,797.13	5,458.15	828.85
- Bank balances other than cash and cash equivalents	8	88,074.73	219.89	-
- Others	4	186.21	640.17	-
Current tax assets	9	445.13	1.68	8.39
Other current assets	10	1,298.23	1,764.89	219.97
<b>Total current assets</b>		<b>1,97,619.37</b>	<b>63,297.54</b>	<b>12,085.09</b>
<b>Total assets</b>		<b>2,26,582.45</b>	<b>80,785.52</b>	<b>12,471.54</b>
<b>B. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	11	27,065.91	21,119.25	5986.51
Other equity	12	14,883.98	6,276.23	1766.56
<b>Total equity</b>		<b>41,949.89</b>	<b>27,395.48</b>	<b>7753.07</b>
<b>Share Application Money Pending Allotment</b>		<b>6.33</b>	<b>6.33</b>	<b>6.33</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities		-	-	-
- Borrowings	13	83,844.63	16,309.83	2,687.13
- Others	14	-	-	-
Provisions	15	44.17	16.17	11.99
Deferred tax liabilities (net)	9	280.19	-	11.13
<b>Total non-current liabilities</b>		<b>84,168.99</b>	<b>16,326.00</b>	<b>2,710.25</b>
<b>Current liabilities</b>				
Financial liabilities		-	-	-
- Borrowings	13	34,814.81	16,872.34	2,687.13
- Trade payables		-	-	-
- Total outstanding dues of creditors other than micro, small and medium enterprises	16	18.60	11.50	48.79
- Total outstanding dues of creditors other than micro, small and medium enterprises	16	473.09	172.08	31.22
- Others	14	379.43	691.64	385.5
Other current liabilities	17	436.00	20.48	68.83
Provisions	15	316.50	130.24	118.2
Current tax liabilities	18	1,962.39	173.12	48.89
<b>Total current liabilities</b>		<b>38,023.39</b>	<b>18,116.38</b>	<b>3,280.87</b>
<b>Total Liabilities</b>		<b>1,22,205.27</b>	<b>44,541.86</b>	<b>6,000.19</b>

See accompanying notes forming part of the Ind AS financial statements

As per our report of even date attached

For Sushir & Sudhir  
 Chartered Accountants  
 Firm Registration No. 600801N

Sushir Kumar Arora  
 Partner  
 Membership No. 080154  
 UDIN: 23060331061420192

Place: Delhi  
 Date: 29-06-2023

For Akara Capital Advisors Private Limited  
 Board of Directors of  
 Akara Capital Advisors Private Limited  
 Director  
 DIN: 00007588

Sushir Kumar  
 Company Secretary  
 M.No. A-6360  
 Place: Delhi  
 Date: 29-06-2023

For Akara Capital Advisors Private Limited  
 Director  
 DIN: 00007588

For Akara Capital Advisors Private Limited

**Alara Capital Advisors Private Limited**  
**Statement of Profit and Loss for the period ended March 31, 2023**  
 (All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
(a) Revenue from operations			
(i) Interest income	19	18,673.64	4,821.76
(ii) Fee and commission income	20	2,641.62	3.78
(b) Other income	21	377.64	117.71
<b>I Total Income (a+b)</b>		<b>21,692.90</b>	<b>4,943.25</b>
<b>Expenses</b>			
(a) Finance costs	22	7,623.09	2,109.55
(b) Impairment on financial instruments	23	4,718.57	105.43
(c) Depreciation/benefit expenses	24	680.30	276.07
(d) Depreciation and amortisation expense	25	125.34	115.53
(e) Other expenses	26	4,405.41	1,582.92
<b>II Total expenses</b>		<b>17,552.61</b>	<b>4,199.50</b>
<b>III Profit/(Loss) before exceptional items and tax from continuing operations (I-II)</b>		<b>3,981.69</b>	<b>743.75</b>
Exceptional items		-	-
<b>Profit/(Loss) before extraordinary items and tax from continuing operations</b>		<b>3,981.69</b>	<b>743.75</b>
Extraordinary items		-	-
Prior Period items		-	-29.70
<b>Profit Before Tax</b>		<b>3,981.69</b>	<b>714.05</b>
<b>IV Tax expense</b>			
(a) Current tax	27	1,862.38	173.13
(b) Deferred tax charge/(benefit)	27	231.90	(55.65)
<b>Total tax expense</b>		<b>2,094.28</b>	<b>117.48</b>
<b>V Profit for the year (III-IV)</b>		<b>2,587.41</b>	<b>596.57</b>
<b>VI Other comprehensive income, net of tax</b>			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans		4.07	9.39
Income tax benefit/(charge) on above	28	-1.82	-2.41
<b>Sub total (a)</b>		<b>3.05</b>	<b>7.18</b>
(b) Items that will be reclassified to profit or loss			
Movement in cash flow hedge reserve		-	-
Income tax benefit/(charge) on above		-	-
<b>Sub total (b)</b>		<b>-</b>	<b>-</b>
<b>Other comprehensive income/(loss) for the year</b>		<b>4.07</b>	<b>7.18</b>
<b>VII Total comprehensive profit for the year (V+VI)</b>		<b>2,591.47</b>	<b>603.75</b>
<b>Dividends per equity share:</b>	31		
Basic		1.11	0.83
Diluted		1.11	0.83

See accompanying notes forming part of the Ind AS financial statements

As per our report of even date attached

For Suri & Sudhir

Chartered Accountants

Firm Registration No. 006601N

Sudhir Kumar Arora

Partner

Membership No. 000378

UDIN: 23000338GUCZC0926



Place : Delhi

Date : 28-05-2023

For and on behalf of the Board of Directors of

Alara Capital Advisors Private Limited

*(Signature)*  
 Chairperson  
 DIN: 02667169

*(Signature)*  
 Managing Director  
 DIN: 01889330

*(Signature)*  
 Senior Manager  
 Company Secretary  
 M.No.: A40391  
 Place: Delhi  
 Date : 29-05-2023





**Akara Capital Advisors Private Limited**  
**Statement of Cash Flows for the year ended March 31, 2023**  
**(All amounts in Lakhs of ₹ unless otherwise stated)**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,001.49	796.76
Adjustments for:		
Reversal of provision on old outstandings		
Depreciation and amortisation expenses	223.24	113.53
Finance Cost	1,023.46	2,335.18
Interest Received	(241.85)	(1,157.75)
Other income/(Expenses) of nature	(1,893.15)	4,580.85
<b>Operating profit before working capital changes</b>	<b>6,923.19</b>	<b>7,598.54</b>
Change in working capital:		
Increase/(decrease) in trade payables	270.08	(20.79)
Increase/(decrease) in current liabilities	531.25	6,114.84
Increase/(decrease) in Other financial liabilities	-	-
Increase/(decrease) in provisions	-	-
Increase/(decrease) in Other non-financial liabilities	-	-
Decrease/(increase) in Trade Loans, Loans and advances	(53,049.58)	(42,773.25)
Decrease/(increase) in Other Current assets	(441.43)	(1,248.85)
Decrease/(increase) in trade Receivables	(369.76)	(62.22)
Decrease/(increase) in Other non-financial assets	-	-
<b>Cash flow from operating activities post working capital changes</b>	<b>(46,798.60)</b>	<b>(34,986.82)</b>
Income on profit	(1,862.39)	(71.83)
<b>Net cash flow from operating activities before extraordinary items</b>	<b>(48,660.99)</b>	<b>(35,058.65)</b>
Payment for extra Ordinary Issue	-	11.79
<b>Net cash flow from operating activities (A)</b>	<b>(48,660.99)</b>	<b>(35,046.86)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	-	(34.98)
Purchase of intangible assets	(34.88)	(104.98)
Proceeds from sale of Investment property	-	-
Loan on account	247.88	16.75
Cash Advances and loans made to other parties	(2,376.31)	(1,307.61)
Other income/(Expenses) of nature	6,271.31	(477.43)
<b>Net cash used in investing activities (B)</b>	<b>6,178.00</b>	<b>(1,903.71)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance Cost	(1,809.94)	(2,335.18)
Increase in / (Decrease) of Short term borrowings	38,835.46	16,606.77
Increase in / (Decrease) of Long term borrowings	49,574.59	14,412.20
Increase / (Decrease) in share capital	5,936.38	13,212.14
Increase / (Decrease) in share application money pending allotment	-	(6.72)
Repurchase of share borrowings	-	-
Proceeds from issue of share capital including share premium	-	-
<b>Net cash flow from financing activities (C)</b>	<b>82,535.54</b>	<b>41,883.26</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>	<b>40,082.55</b>	<b>5,032.14</b>
Cash and cash equivalents at the beginning of the year	5,657.96	61,581
<b>Cash and cash equivalents at the end of the year</b>	<b>45,739.51</b>	<b>66,613.14</b>
<b>Cash and cash equivalents consist of:</b>		
Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.30	0.20
Balance with banks	-	-
Government securities	13,921.40	5,607.65
Debt instrument	15,696.84	21,901
Accrued interest	14.87	-
	<b>29,633.41</b>	<b>27,509.85</b>

See accompanying notes forming part of the Ind AS financial statements

As per our report of date attached

For SURI & SUDHIR

Chartered Accountants

Firm Registration No. 008651N

Surbhi Kataria Arora

Partner

Membership No. 880528

UDIN: 23080308001000000

Place: Delhi

Date: 29-05-2023



For and on behalf of the Board of Directors of  
Akara Capital Advisors Private Limited

*[Signature]*  
 Director  
 Akara Capital Advisors Private Limited  
 Date: 29-05-2023

Company Secretary

M.N.A.: A-40583

Place: Delhi

Date: 29-05-2023

*[Signature]*  
 Director  
 Akara Capital Advisors Private Limited  
 Date: 29-05-2023



Akara Capital Advisors Private Limited  
Statement of changes in equity for the period ended March 31, 2023  
(All amounts in Lakhs of ₹ unless otherwise stated)

A Equity share capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
21,119.05	-	21,119.05	5,936.88	27,055.93

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
5,906.91	-	5,906.91	15,212.14	21,119.05

B Other equity

Particulars	Reserves and Surplus				Other Comprehensive Income (OCI)	Total
	Securities premium reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Employee Stock Options Outstanding Account	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	
Balance at April 1, 2021	1,472.07	85.73	-	205.21	-	1,763.01
Add: Profit for the period	-	-	-	432.62	-	432.62
Add (Less): Other comprehensive income (net of tax)	-	-	-	-	7.18	7.18
Total comprehensive income for the year	-	-	-	432.62	-	439.80
Transfer to statutory reserve	-	109.99	-	(109.99)	-	-
Employee stock options	-	-	-	-	-	-
Premium on issue of equity shares	4,563.65	-	-	-	-	4,563.65
Share issue expenses	-	-	-	-	-	-
Balance at March 31, 2022	6,035.72	195.72	-	527.84	-	6,976.33



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**Akara Capital Advisors Private Limited**  
**Notes to the Special Purpose Standalone Financial Statements for the year ended 31 March 2023**  
**(All amounts are in Indian Rupees, unless otherwise stated)**

**L. Property, plant and equipment**

Assets	Gross block			Accumulated depreciation/amortisation			Net block	
	As at 31 March 2022	Additions	Adjustments/ (disposals)	As at 31 Mar 2023	For the year	Adjustments/ (disposals)	As at 31 Mar 2023	As at 31 March 2023
<b>Tangible Assets</b>								
Office Equipment Computers	0.42 2.11	- -	-4.42 -2.11	- -	0.40 1.93	-0.40 -1.93	- -	0.02 0.18
Sub-total (A)	2.53	-	(1.53)	-	2.33	(2.33)	-	0.20
Provision for	2.53	-	-	2.53	0.07	-	2.60	0.20
<b>Intangible assets</b>								
Sub-total (B)	287.87	1,206.81	(122.59)	1,865.09	223.14	(59.05)	1,993.43	585.56
Provision for	287.87	1,206.81	(122.59)	1,865.09	223.14	(59.05)	1,993.43	585.56
Capital work in progress (C)*	471.57	214.00	-	787.87	113.40	-	900.16	393.26
Intangible Assets under Progress	34.99	49.87	34.99	40.87	-	-	40.87	34.99
Sub-total (C)	34.99	49.87	34.99	40.87	-	-	40.87	34.99
Provision for	-	34.99	-	34.99	-	-	34.99	-
Total (A+B+C)	822.99	1,290.68	(90.13)	1,915.96	223.34	(61.38)	1,853.36	624.75

**Intangibles Under Development Aging Schedule**

Projects in process	Amount in LA under development for a period of				Total
	Less than 1 year	1-2 Years	3-5 Years	More than 5 Years	
31-03-2023					
LA under Development	4.90	.00	.00	.00	.00
Total 31-03-2023	4.90	.00	.00	.00	.00
31-03-2022					
LA under Development	3.50	.00	.00	.00	.00
Total 31-03-2022	3.50	.00	.00	.00	.00



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

 Notes forming part of the Ind AS financial statements for the period ended March 31, 2023  
 (All amounts in Lakhs of ₹ unless otherwise stated)

2. Investments	Non Current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Investment at amortised cost:				
Investment in pass through certificates (PTC)				
Investment in pass through certificates (PTC)	93.04	-	-	-
<b>Total</b>	<b>93.04</b>	<b>-</b>	<b>-</b>	<b>-</b>
(i) Investment outside India	-	-	-	-
(ii) Investment in India	93.04	-	-	-
<b>Total</b>	<b>93.04</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: Impairment loss allowance on pass through certificates	-	-	-	-
<b>Total</b>	<b>93.04</b>	<b>-</b>	<b>-</b>	<b>-</b>

3. Loans	Non Current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
At amortised cost				
(A) Loans				
(i) Term Loans	18,471.57	16,895.24	88,237.98	35,202.32
(ii) Loans against property (LAP) and machinery finance	-	-	-	-
(iii) Working capital demand loan	-	-	-	-
(iv) Loans to related parties	-	-	-	-
(v) Others (Staff Loans)	-	-	-	-
(vi) Interest accrued on loans*	-	-	838.12	287.11
<b>Total (A) - Gross</b>	<b>18,471.57</b>	<b>16,895.24</b>	<b>89,176.10</b>	<b>35,489.43</b>
Less: Impairment loss allowance	-	-	-839.28	128.29
Less: Revenue received in advance	-	-	1,544.39	-
<b>Total (A) - Net</b>	<b>18,471.57</b>	<b>16,895.24</b>	<b>88,470.99</b>	<b>35,421.84</b>
(B)				
(i) Secured by tangible assets (includes advances against fixed deposits)	-	-	-	-
(ii) Secured by Good Deposits	-	-	-	-
(iii) Covered by bank guarantee	-	-	-	-
(iv) Unsecured	18,471.57	16,895.24	88,176.10	35,409.43
<b>Total (B) - Gross</b>	<b>18,471.57</b>	<b>16,895.24</b>	<b>88,176.10</b>	<b>35,409.43</b>
Less: Impairment loss allowance	-	-	-839.28	128.29
Less: Revenue received in advance	-	-	1,544.39	-
<b>Total (B) - Net</b>	<b>18,471.57</b>	<b>16,895.24</b>	<b>88,470.99</b>	<b>35,421.84</b>
(C) Loans in India**				
(i) Public sector	-	-	-	-
(ii) Others	18,471.57	16,895.24	88,176.10	35,409.43
<b>Total (C) - Gross</b>	<b>18,471.57</b>	<b>16,895.24</b>	<b>88,176.10</b>	<b>35,409.43</b>
Less: Impairment loss allowance	-	-	-839.28	128.29
Less: Revenue received in advance	-	-	1,544.39	-
<b>Total (C) - Net</b>	<b>18,471.57</b>	<b>16,895.24</b>	<b>88,470.99</b>	<b>35,421.84</b>

\* The Company does not hold any loans outside India.

\*\* Loans in India are loans in India of loans to related parties.

The net carrying amount of loans is considered a reasonable approximation of fair fair value.

Type of Borrower	Amount of loans or advances in the nature of loans outstanding as on March 2023	Percentage of total loans and advances in the nature of loans	Amount of loans or advances in the nature of loans outstanding as on March 2023	Percentage of total loans and advances in the nature of loans
Provisionary	-	-	-	-
Director	-	-	-	-
RDAs	-	-	-	-
Related parties	18.38	0.11%	-	0.00%

The related party loans as on 31st March 2023 is nil. The only related party pertains to interest on such loans.

4. Other financial assets - Current	Non Current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Margin money against borrowings	-	473.89	473.89	565.89
Interest earned on margin money against borrowings	-	-	-	-
Other receivable from related party	-	-	-	-
Security Deposits	9.71	8.14	220.25	98.80
Balance with banks	185.67	212.42	-	85.77
In deposits with maturity of more than 12 months*	-	-	-	-
<b>Total</b>	<b>295.38</b>	<b>705.55</b>	<b>694.14</b>	<b>750.46</b>



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

8. Deferred tax	As at March 31, 2023	As at March 31, 2022
Deferred tax Assets (net)	-	41.52
<b>Total</b>	-	41.52
Deferred tax Liabilities (net)	298.38	-
<b>Total</b>	298.38	-

9. Trade Receivable	As at March 31, 2023	As at March 31, 2022
Considered Good - Secured	-	-
Considered Good - Unsecured (Refer Note 9a)	3,294.07	3,314.80
Trade Receivables which have significant increase in credit risk	-	0.51
Trade Receivables under impairment	-	-
<b>Total</b>	3,294.07	3,315.31

Trade receivable aging schedule for the year ending March 31, 2023 summarized as below:

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Un disputed trade receivables - considered good	3,294.07	-	-	-	-	3,294.07
(ii) Un disputed trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-

Trade receivable aging schedule for the year ending March 31, 2022 summarized as below:

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Un disputed trade receivables - considered good	2,314.80	-	-	-	-	2,314.80
(ii) Un disputed trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	0.51	-	-	0.51

7. Cash and cash equivalents	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.50	0.50
Balance with banks:		
- In Current accounts	15,436.82	1,417.96
- Balance with banks with original maturity of 3 months or less	0,443.84	-
Deposits or funds on hand	14.67	-
Accrued interest on deposits with bank	-	-
<b>Total</b>	15,895.83	1,418.46

\* This includes deposit of INR 436.31 Lakhs (31 March 2022: INR 0) pledged with banks and financial institutions

8. Bank balance other than cash and cash equivalents	As at March 31, 2023	As at March 31, 2022
Other bank deposits:		
- Deposits with original maturity more than three months but remaining maturity of less than twelve months	30,974.70	219.40
Accrued interest on deposits with bank	-	-
<b>Total</b>	30,974.70	219.40

\* This includes deposit of INR 1851.74 Lakhs (31 March 2022: INR 219.40 lakhs) pledged with banks and financial institutions

9. Current tax assets (Net)	As at March 31, 2023	As at March 31, 2022
Current tax assets	445.75	1.46
<b>Total</b>	445.75	1.46

10. Other Current assets	Non Current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	-	-	132.47	142.67
Other Advances and Receivables	-	-	29.88	85.99
Other Receivables	-	-	1,367.82	1,339.62
Inventory receivables	-	-	244.91	-
<b>Total</b>	-	-	1,735.07	1,568.28



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**11. Equity****(a) Equity Share Capital****(i) Share capital authorised, issued, subscribed and paid-up**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
Authorised Equity share capital				
Equity shares of Rs.10 each	40,00,00,000	40,000.00	40,00,00,000	40,000.00
<b>Total</b>	<b>40,00,00,000</b>	<b>40,000.00</b>	<b>40,00,00,000</b>	<b>40,000.00</b>

**Issued, subscribed and paid up Equity share capital**

Equity shares of Rs.10 each	27,05,59,331	27,055.93	21,11,90,519	21,119.05
	<b>27,05,59,331</b>	<b>27,055.93</b>	<b>21,11,90,519</b>	<b>21,119.05</b>

**(ii) Terms/rights attached to equity shares**

Each holder of equity shares is entitled to one vote per share and *marks pari passu*. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
At the beginning of the year	21,11,90,519	21,119.05	5,90,69,103	5,906.91
Issued during the year:-				
Morus Technologies Pte. Ltd.				
- On right issue basis	5,93,68,812	5,936.88	15,21,21,416	15,212.14
<b>Outstanding at the end of the period<sup>a</sup></b>	<b>27,05,59,331</b>	<b>27,055.93</b>	<b>21,11,90,519</b>	<b>21,119.05</b>

**(iv) Equity shares in the Company held by the holding company & beneficiaries**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
Shruti Aggarwal (Beneficial Owner- Morus Technologies Pte. Ltd.)	1000	0.00037	1000	0.00047
Morus Technologies Pte. Ltd. (holding company)	27,05,58,331	99.99963	21,11,89,519	99.99953

**(v) Details of shareholders holding more than 5% shares in the company**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
Morus Technologies Pte. Ltd. (holding company)	27,05,58,331	100.00	21,11,89,519	100.00



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**12 Other equity**

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium reserve	10,551.80	6,015.72
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1934)	855.34	195.72
Retained earnings - Other than remeasurement of post employment benefit obligations	2,676.74	744.89
<b>Total</b>	<b>14,083.88</b>	<b>6,956.33</b>

**(i) Securities premium reserve**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	6,035.72	1,472.07
Add: Amount received pursuant to issue of equity shares	4,516.08	4,563.65
Less: Share issue expenses	-	-
Less: Stamp duty on issue of equity shares	-	-
<b>Closing balance</b>	<b>10,551.80</b>	<b>6,035.72</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1934)**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	195.72	85.73
Add: Transferred from retained earnings	659.62	109.99
<b>Closing balance</b>	<b>855.34</b>	<b>195.72</b>

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 wherein every non-banking financial company shall create a reserve fund the transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss and before any dividend is declared.

**(iii) Retained earnings - Other than remeasurement of post employment benefit obligations**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	744.89	205.21
Add: Profit for the year	2,591.47	649.67
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 <sup>a</sup>	(659.62)	(109.99)
<b>Closing balance</b>	<b>2,676.74</b>	<b>744.89</b>

<sup>a</sup> Transfer to statutory reserve u/s 45-IC of the reserve bank of india act, 1934 calculated on the total comprehensive income for the current year and previous year



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

	Non Current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Borrowings-Debt securities</b>				
At amortised cost				
Unsecured				
Total	-	-	-	-
Secured				
Debentures (Refer note 16a)	20,359.60	5,200.00	11,950.00	800.00
Accrued interest on debentures	-	-	172.53	-
<b>Total</b>	<b>20,359.60</b>	<b>5,200.00</b>	<b>12,122.53</b>	<b>800.00</b>
Less: Unamortised processing fees on borrowings	-	-	-	-
<b>Total</b>	<b>20,359.60</b>	<b>5,200.00</b>	<b>12,122.53</b>	<b>800.00</b>
Debt securities in India	20,359.60	5,200.00	12,122.53	800.00
Debt securities outside India	-	-	-	-
<b>Total</b>	<b>20,359.60</b>	<b>5,200.00</b>	<b>12,122.53</b>	<b>800.00</b>

**13A. Security and terms of repayment for redeemable non-convertible debenture (NCD)\***

Repayment Terms	Tenure	Interest Range (At March 31, 2022)	Interest Range (At March 31, 2021)	As at March 31, 2023	As at March 31, 2022
<b>Listed NCD:</b>					
650 NCD's of ₹10,00,000/- each (Previous year NIL)	Upto 2	12.55%	-	6,500.00	-
340 NCD's of ₹10,00,000/- each (Previous year NIL)	Upto 2	11.75%	-	2,500.00	-
1800 NCD's of ₹10,00,000/- each (Previous year NIL)	Upto 2	11.04%	-	1,800.00	-
				<b>11,200.00</b>	<b>-</b>
<b>Unlisted NCD:</b>					
200 NCD's of ₹1,00,00,000/- each (Previous year 200 NCD's of ₹1,00,00,000/- each)	Upto 2	14.55%	14.55%	2,000.00	2,000.00
400 NCD's of ₹10,00,000/- each (Previous year NIL)	Upto 2	14.00%	-	3,810.00	-
40,000 NCD's of ₹10,000/- each (Previous Year NIL)	Upto 2	13.17%	13.17%	800.00	4,000.00
750 NCD's of ₹10,00,000/- each (Previous year NIL)	Upto 3	11.04%	-	2,500.00	-
250 NCD's of ₹10,00,000/- each (Previous year NIL)	Upto 2	14.00%	-	2,500.00	-
2700 NCD's of ₹1,00,000/- each (Previous year NIL)	Upto 2	13.05%	-	2,250.00	-
30,000 NCD's of ₹10,000/- each (Previous year NIL)	Upto 2	13.05%	-	2,250.00	-
				<b>21,310.00</b>	<b>6,000.00</b>
<b>Total</b>				<b>32,510.00</b>	<b>6,000.00</b>

\*Non-convertible debentures of are secured by first and exclusive charge over the specific identified book debts/ loan receivables of the Company and by corporate guarantee from the Holding and Associate Company.



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Borrowings (other than debt securities)	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>At amortised cost</b>				
<b>Secured</b>				
External commercial borrowings (Refer note 18a)	24,193.19	-	-	-
Term loans from banks (Refer note 18b)	-	-	4,086.67	250.00
Term loans from financial institutions (Refer note 18c)	16,369.11	11,669.65	15,748.74	13,851.68
ICDS	2,922.73	608.96	66.66	2,057.34
WCCL	-	-	2,590.00	-
Accrued interest on ECB	-	-	144.89	-
Accrued interest on Loans	-	-	147.35	136.27
Accrued interest on WCCL	-	-	-	-
	43,485.03	13,669.65	23,274.31	16,288.29
<b>Loans repayable on demand (secured)</b>				
Cash credit and bank overdraft (Refer note 18d)	-	-	-	-
	43,485.03	13,669.65	23,274.31	16,288.29
<b>Less: Unamortised processing fees on borrowings</b>				
	-	-	522.84	215.95
	43,485.03	13,669.65	22,751.47	16,072.34
Borrowings (other than debt securities) in India	19,291.84	11,669.65	22,606.58	16,072.34
Borrowings (other than debt securities) outside India	24,193.19	-	144.89	-
<b>Total</b>	<b>43,485.03</b>	<b>13,669.65</b>	<b>22,751.47</b>	<b>16,072.34</b>

**13B Security and terms of repayment of External commercial borrowings in foreign currency \***

Repayment Terms	Tenure	Interest Range (At March 31, 2023)	Interest Range (At March 31, 2022)	As at March 31, 2023	As at March 31, 2022
Bullet	Upto 3 Years	1.5% to 10.35%	-	24,193.19	-
<b>Total</b>				<b>24,193.19</b>	<b>-</b>

\* The company had availed total External Commercial Borrowing (ECB) for financing prospective borrowers as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. The borrowing had a maturity of three years in terms of RBI guidelines.

**13C Security and terms of repayment for secured term loans from banks \*\***

Repayment Terms	Tenure	Interest Range (At March 31, 2023)	Interest Range (At March 31, 2022)	As at March 31, 2023	As at March 31, 2022
Monthly	Upto 2 Years	8.05% to 13.60%	11.50% to 13.53%	4,666.67	250.00
<b>Total</b>				<b>4,666.67</b>	<b>250.00</b>

\*\* Term loans from banks are secured by first and exclusive charge on specific identified receivables of the Company and corporate guarantee by holding Company.

**13D Security and terms of repayment for secured term loans from financial institutions †**

Repayment Terms	Tenure	Interest Range (At March 31, 2023)	Interest Range (At March 31, 2022)	As at March 31, 2023	As at March 31, 2022
Monthly	Upto 2 Years	11.50% to 15%	12.25% to 13%	32,117.85	24,903.37
<b>Total</b>				<b>32,117.85</b>	<b>24,903.37</b>

† Term loans from financial institutions are secured by first and exclusive charge on specific identified receivables of the Company and corporate guarantee by holding Company.

**13E Security and terms of repayment ICD\***

Repayment Terms	Tenure	Interest Range (At March 31, 2023)	Interest Range (At March 31, 2022)	As at March 31, 2023	As at March 31, 2022
Monthly	Upto 1 Year	11.20%	9.25% to 11.95%	2,989.39	2,666.30
<b>Total</b>				<b>2,989.39</b>	<b>2,666.30</b>

\* ICD are secured by first and exclusive charge on specific identified receivables of the Company and corporate guarantee by holding Company.

**13F Security and terms of repayment WCCL\*\*\***

Repayment Terms	Tenure	Interest Range (At March 31, 2023)	Interest Range (At March 31, 2022)	As at March 31, 2023	As at March 31, 2022
Monthly	Upto 1 Year	13% to 13.89%	13% to 14.95%	25.60	-
<b>Total</b>				<b>25.60</b>	<b>-</b>

\*\*\* WCCL are secured by first and exclusive charge on specific identified receivables of the Company and corporate guarantee by holding Company.



**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

14 Other financial liabilities	Non Current		Current	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Loan pending disbursement	-	-	135.60	461.77
Collections from Customers	-	-	369.06	34.72
Payable to Related Parties (Refer Note no 19)	-	-	-	11.32
PTC Payable	-	-	164.29	384.83
<b>Total</b>	<b>-</b>	<b>-</b>	<b>634.43</b>	<b>891.64</b>

15 Provision	Non Current		Current	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Provision for gratuity	23.99	16.13	1.03	0.49
Provision for compensated absences	-	-	5.61	7.26
Provision for Expenses	20.18	-	303.46	95.18
Provision for Audit Fee	-	-	5.40	5.40
<b>Total</b>	<b>44.17</b>	<b>16.13</b>	<b>316.50</b>	<b>108.74</b>

16 Trade payables	As at	As at
	March 31, 2023	March 31, 2022
Trade creditors other than MSME creditors	471.98	172.68
Trade creditors-MSME creditors	35.88	71.50
<b>Total</b>	<b>507.86</b>	<b>244.18</b>

Trade Payable aging schedule for the year ending March 31, 2023 summarized as below:

Particulars	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	39.58	0.10	-	-	39.68
(ii) Others	472.71	0.45	-	-	473.16
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	5.85	-	5.85
<b>Total</b>	<b>512.29</b>	<b>0.55</b>	<b>5.85</b>	<b>-</b>	<b>518.69</b>

Trade Payable aging schedule for the year ending March 31, 2022 summarized as below:

Particulars	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	71.50	-	-	-	71.50
(ii) Others	139.92	6.43	-	-	146.35
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	5.85	-	-	5.85
<b>Total</b>	<b>211.42</b>	<b>12.28</b>	<b>-</b>	<b>-</b>	<b>223.70</b>

17 Other Current Liabilities	As at	As at
	March 31, 2023	March 31, 2022
Employee related payable	65.07	29.45
Statutory remittances	561.09	-
<b>Total</b>	<b>626.07</b>	<b>29.45</b>

18 Current tax liabilities	As at	As at
	March 31, 2023	March 31, 2022
Provision for Tax	1,052.39	173.13
<b>Total</b>	<b>1,052.39</b>	<b>173.13</b>



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

19	<b>Revenue From Operations</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Interest on Loans (on financial assets measured at amortised cost)	17,008.34	4,821.76
	Processing Fee on loans to customers	1,665.30	-
	<b>Total</b>	<b>18,673.64</b>	<b>4,821.76</b>
20	<b>Fee and commission income</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Service and other fees	2,641.62	3.78
	<b>Total</b>	<b>2,641.62</b>	<b>3.78</b>
21	<b>Other income</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Interest Income on Cash Margin to Lender	6.61	1.07
	Interest Income on deposits with banks	241.27	15.67
	Interest Income on loans to Related Parties	32.40	-
	Income on sale of Bonds	30.37	-
	Miscellaneous Income	2.66	-
	Bad debts recovered	63.73	92.96
	Liabilities no longer required written back	-	5.57
	Excess Provision Reversed	-	2.44
	<b>Total</b>	<b>377.04</b>	<b>117.71</b>
22	<b>Finance costs (on financial liabilities measured at amortised cost)</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Interest expenses on:		
	<b>Borrowings:</b>		
	-On Loans from banks	1.56	2.59
	-On Loans from financial institutions	3,821.37	1,423.01
	-On Foreign Loans from holding company (ECB)	1,022.12	-
	-On WCDL	105.41	-
	-On ICD's	219.35	244.62
	<b>Debt securities</b>		
	-On Debentures	1,554.32	40.96
	<b>Other Borrowing Cost</b>	<b>898.96</b>	<b>398.37</b>
	<b>Total</b>	<b>7,623.09</b>	<b>2,109.55</b>



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

23	<b>Impairment on financial instruments</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Impairment on financial instruments measured at amortised cost		-
	Impairment allowance on loans	-	105.43
	Impairment allowance on Assets	101.22	-
	Loss on loans & advances written off	4,617.35	-
	<b>Total</b>	<b>4,718.57</b>	<b>105.43</b>
24	<b>Employers benefit expense</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Salaries and wages	568.23	206.95
	Director Remuneration	60.55	54.87
	Contribution to provident and other funds	19.84	3.30
	Gratuity	4.42	-
	Leave Encashment	24.26	10.89
	Staff welfare expense	2.90	0.06
	<b>Total</b>	<b>680.20</b>	<b>276.07</b>
25	<b>Depreciation and Amortisation Expenses</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Depreciation on tangible assets	-	-
	Amortisation on intangible assets	223.34	113.53
	<b>Total</b>	<b>223.34</b>	<b>113.53</b>
26	<b>Other expenses</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	Rates and taxes	40.12	76.83
	Communication costs	0.16	0.14
	Printing and stationery	1.26	0.31
	Auditor remuneration:		-
	-For Statutory Audit, Tax Audit and Limited Review	10.40	7.00
	-For Other Professional Services	1.30	4.59
	- For other certification and reporting	8.98	-
	Legal and professional	181.05	100.22
	Insurance	0.23	0.43
	Travelling and conveyance	21.53	6.23
	Electricity and Telephone Expenses	2.82	-
	Corporate social responsibility expenses (refer note 50)	6.28	-
	Direct Expense	3,526.51	936.34
	Rent and Facility Fee	55.98	40.68
	Business auxiliary services	61.37	71.18
	Bank charges	49.57	37.83
	Directors' sitting fees	39.75	15.00
	Miscellaneous	458.10	244.35
	MSME Expenses	-	1.79
	<b>Total</b>	<b>4,465.41</b>	<b>1,542.92</b>



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**27 Income tax expense**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current tax</b>		
In respect of the current year	1,062.39	173.13
	<b>1,062.39</b>	<b>173.13</b>
<b>Deferred tax charge/ (benefits)</b>		
In respect of the current year	331.90	(55.65)
	<b>331.90</b>	<b>(55.65)</b>

**28 Income tax expense recognized in other comprehensive income**

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax relating to remeasurement gains/(losses) on defined benefit plans	-1.02	-2.41
	<b>(1.02)</b>	<b>(2.41)</b>



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**29 Earnings per share**

Particulars	As at March 31, 2023	As at March 31, 2022
a) Basic earnings per share	1.11	0.63
b) Diluted earnings per share	1.11	0.63

**c) Reconciliations of earnings used in calculating earnings per share**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Basic earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	2,591.47	655.75
<b>Diluted earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	2,591.47	655.75

**d) Weighted average number of shares used as the denominator**

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	23,37,55,497	10,38,11,983
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	23,37,55,497	10,38,11,983

**30 Disclosures under Ind AS 19 (Employee benefits)****(a) Defined contribution plans:**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Employees' Provident Fund and Employees' State Insurance schemes, which are defined contribution plans. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

**Amount recognized as an expense towards defined contribution plans**

Particulars	As at March 31, 2023	As at March 31, 2022
Contribution to employees provident fund	19.69	3.16
Contribution to employee state insurance schemes	0.15	0.14
<b>Total</b>	<b>19.84</b>	<b>3.30</b>

**(b) Defined benefit plans:**

The Company operates a funded gratuity benefit plan wherein every employee is entitled to a benefit equivalent to 15 days salary (includes dearness allowance) but drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five years of continuous service. Gratuity benefits are valued in accordance with the Payment of Gratuity Act, 1972.

The gratuity plan of the company is funded gratuity plan. These plans typically expose the Company to actuarial risks such as: Interest rate risk, Liquidity risk, Salary escalation risk, demographic risk, regulatory risk

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary escalation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2023 by Independent Valuer, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Principal assumptions:	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Discount rate (per annum)	7.50%	7.25%
Salary growth rate (per annum)	5.00%	5.00%
Retirement age	60 Years	60 Years
Withdrawal rate (per annum)	5.00%	5.00%
In service mortality	IALM 2012-14	IALM 2012-14

**Reconciliation of present value of defined benefit obligation**

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Present value of the obligation at the beginning of the period	18.53	18.97
Interest cost	1.20	1.38
Current service cost	7.29	5.77
Past service cost	-	-
Benefits paid (if any)	-	-
Actuarial (gain)/loss	-4.67	-9.59
Present value of the obligation at the end of the period	28.95	16.53

**Expense recognized in statement of profit and loss**

Particulars	As at March 31, 2023	As at March 31, 2022
Current service cost	1.20	1.38
Net interest on net defined benefit liability / (asset)	7.29	5.77
Total Expense to be recognised in Profit & Loss Account	8.49	7.15

**Remeasurements recognized in other comprehensive income**

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (gain)/ loss on defined benefit obligation	-4.67	-9.59
Amount to be recognised in Other Comprehensive Income	-4.67	-9.59

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31-Mar-23		31-Mar-22	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	23.47	18.83	18.63	14.78
(% change compared to base due to sensitivity)	12.00%	-10.00%	13.00%	-11.00%
Salary Growth Rate (+/- 1%)	18.77	23.50	14.73	18.66
(% change compared to base due to sensitivity)	-12.00%	12.00%	-11.00%	13.00%
Withdrawal Rate (-/+ 1%)	20.51	21.29	16.24	16.75
(% change compared to base due to sensitivity)	-2.00%	2.00%	-2.00%	1.00%

**Sensitivity Analysis**

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur

in isolation of one another as some of the assumptions may be correlated. There is no change in the method of valuation for the prior period.






**AKARA CAPITAL ADVISORS PRIVATE LIMITED****Notes forming part of the Ind AS financial statements for the period ended March 31, 2023****(All amounts in Lakhs of ₹ unless otherwise stated)**

During the previous year the company has securitized its book debts for asset reconstruction. The details of the transaction are here under:-

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Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1. No. of accounts	11290	7886
2. Aggregate value (net of provisions) of accounts sold to SC/RC	2,050.98	1,047.28
3. Aggregate consideration	1845.88 <sup>^</sup>	973.97
4. Additional consideration realized in respect of accounts transferred in earlier years	-	-
5. Aggregate gain / loss over net book value	-*	-*

<sup>^</sup> The aggregate consideration of Rs 1845.88 consists series A Pos of Rs 1763.84 and equity tranche of Rs 82.04

\*The differential amount of Rs 205.10 (Rs 73.31 for the year ended 31st March 2022) is kept as collateral with the SC/RC

**32 Expenditure in Foreign Currency:**

Company has incurred the following expenses in foreign currency

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Expenditure in Foreign Currency	1022.12	Nil

Out of the total foreign currency expenditure of Rs 851.65 is paid in the year ended 31.03.2023.

**33 Income in Foreign Currency:**

Company has earned the following incomes in foreign currency

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Income in Foreign Currency	Nil	Nil

**34 Payments to Auditors:-**

Auditors Remuneration	For the year ended 31.03.2023	For the year ended 31.03.2022
Audit Fees	10.40	7.00
Certification Fees	8.98	3.78
Other Professional Services	1.3	0
GST	3.72	1.94
Total	24.40	12.72

**35 Details of assets pledged/ hypothecated as security:**

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Non-current assets		
Property, plant and equipment	-	-
Loans	1,07,647.67	51,644.67
Trade receivables	-	-



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**36 Segment reporting**

The Company's main business is to provide financing to its Customers to meet their cash flow requirements. All other activities revolve around the main business. The Company does not have any geographic segments. The Company does not derive revenues from any single customer, amounting to 10 percent or more of Company's revenues. As such, there are no separate reportable segments as per IND AS 108 "Segment Reporting".

**37 Disclosure as required by Ind AS-24 on "Related Party Disclosure" notified under the companies (Indian Accounting Standard) Rules, 2015:**

List of related parties and relationships:

Name of related party	Nature of Relationship
Morus Technologies Pvt Ltd	Holding company
EQX Analytics Private Limited	Fellow subsidiary company
Titans Fortune Financial Services Private Limited	Fellow subsidiary company
Sastra Digital Services Private Limited	Common Control
Vishnu Invest Private Limited	Common Control
Slush Payments Private Limited	Common Control (Strike off Status as on date)
Key management personnel	
Tushar Aggarwal	Managing Director
Sirshi Aggarwal	Director
Satish Chandra Sinha	Independent director
Radhakrishnan Ramachandra Iyer	Independent director
Vijay Joshi	Independent Director (w.e.f 17-08-2022)
Vijay Lonjan	Independent Director
Praveen Chaturya	Company Secretary (till 02-08-2022)
Sania Rakash Thakur	Company Secretary (w.e.f 02-08-2022)

Transactions with the related parties during the year:

Particulars	Nature of transaction	As at March 31, 2022	As at March 31, 2023
Morus Technologies Pvt Ltd	Issue and allotment of equity share capital	5,936.88	15,212.14
	Foreign Loan received from Holding Company (ECB)	24,183.19	-
	Interest Payment on Foreign Loan	798.27	-
	Amount received for Expense Reimbursement incurred in PPV	10.00	-
	Expenses incurred on behalf of Morus	-	10.66
EQX Analytics Private Limited	Lead Generation Expenses	2,103.38	-
	Loan Disbursements and Collections through Intermediary	4,486.85	211.65
	Employee costs and reimbursements-Infra Sharing Expenses Payable	33.61	18.54
	Employee costs and reimbursements-Infra Sharing Expenses Paid	18.54	-
Titans Fortune Financial Services Private Limited	Loan Given	9,833.60	-
	Loan Payment Received Back	9,833.60	-
	Interest Income on Loan Given	32.40	-
	Loan Taken	1,348.00	-
	Loan Repaid	1,348.00	-
	Interest Payment on Loan Given	10.80	-
Slush Payments Private Limited	Reimbursement of Expenses	10.32	-

\*The payment amounts mentioned above are inclusive of tax but the same are made net of TDS.






**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**Transactions with the key management personnel during the year:**

Particulars	Nature of transaction	As at March 31, 2023	As at March 31, 2022
Shashi Aggarwal	Managerial remuneration	15.60	47.37
	Reimbursement of Expenses	9.50	12.94
		25.10	60.31
Tushit Aggarwal	Managerial remuneration	-	-
		-	-
Satish Chandra Sinha	Director Sitting	1.50	7.50
	Other Professional Fees	0.75	-
Radhakrishnan Ramachandra Iyer	Managerial remuneration	1.50	7.50
	Reimbursement of Expenses	15.00	7.50
		0.03	-
Vijay Jeyaraj	Director sitting fees	15.03	7.50
	Reimbursement of Expenses	9.00	-
Vijay Konjan	Director sitting fees	9.36	-
		9.00	-
Pavani Dhanya	Director sitting fees	14.25	-
		14.25	-
Sonia Rakesh Thakur	Managerial remuneration	8.69	2.04
	Reimbursement of Expenses	11.17	3.04
		0.12	-
		11.29	-

**Balance outstanding at year end**

Name of related party	Nature	As at March 31, 2023	As at March 31, 2022
Morris Technologies Pvt Ltd	Foreign Loan received from Holding Company (ECB)	24,193.19	-
	Interest Payable on Foreign Loan	144.89	-
	Amount Receivable for Expense incurred on behalf of Morris	-	10.60
EQX Analytics Private Limited	Land Generation Expenses Payable	-	-
	Loan Disbursements and Collections through Intermediary Receivable	1,846.89	2,314.81
	Employee costs and reimbursements-Info Sharing Expenses Payable	33.61	18.54
Titans Fortune Financial Services Private Limited	Interest on Loan Receivable	10.38	-
Stash Payments Private Limited	Amount Payable to Stash Payments Private Limited	-	10.12




**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**38. Capital**

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period.

**38.1 Capital management**

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of debt less cash and bank balances as presented on the face of balance sheet.

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

**38.2 Regulatory capital**

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk-weighted assets on-balance sheet and at risk-adjusted value of off-balance sheet items. Out of this, Tier I capital shall not be less than 10%. The Board regularly monitors the maintenance of prescribed levels of Capital Risk Adjusted Ratio (CRAR).

Capital Adequacy Ratio (CAR) and other key financial parameters as at 31 March 2023 of the Company are as under:

Capital Adequacy ratio - Tier I	34.68%
Capital Adequacy ratio - Tier II	-0.74%
	33.92%

**39. Categories of financial instruments****39.1 The Carrying value of financial assets and liabilities are as follows :-**

As at March 31, 2023

	Fair value through P&L	Fair value through OCI	Amortised cost	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	17,737.13	17,737.13
Bank balances other than above	-	-	10,974.70	10,974.70
Trade Receivables	-	-	3,294.07	3,294.07
Loans	-	-	1,06,942.56	1,06,942.56
Investments	-	-	82.04	82.04
Other financial assets	-	-	982.41	982.41
<b>Total financial assets</b>	-	-	1,40,012.91	1,40,012.91
<b>Financial liabilities</b>				
Trade payables	-	-	513.66	513.66
Other payables	-	-	-	-
Debt Securities	-	-	66,236.50	66,236.50
Borrowings (Other than debt securities)	-	-	32,482.13	32,482.13
Other financial liabilities	-	-	639.43	639.43
<b>Total financial liabilities</b>	-	-	99,871.72	99,871.72



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the 1st AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

As at March 31, 2022

	Fair value through P&L	Fair value through OCI	Amortised cost	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	5,438.16	5,438.16
Bank balances other than above	-	-	219.80	219.80
Trade Receivable	-	-	2,324.31	2,324.31
Loans	-	-	51,516.28	51,516.28
Investments	-	-	-	-
Other financial assets	-	-	1,346.33	1,346.33
<b>Total financial assets</b>	-	-	<b>60,844.88</b>	<b>60,844.88</b>
<b>Financial liabilities</b>				
Trade payables	-	-	243.58	243.58
Other payables	-	-	-	-
Debt Securities	-	-	6,000.00	6,000.00
Borrowings (Other than debt securities)	-	-	27,741.99	27,741.99
Other financial liabilities	-	-	891.64	891.64
<b>Total financial liabilities</b>	-	-	<b>34,877.21</b>	<b>34,877.21</b>

**4B. Fair value measurement of financial assets and liabilities**

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Level	As at March 31, 2023		As at March 31, 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>					
Cash and bank balances	1	17,737.13	17,737.13	5,438.16	5,438.16
Bank balances other than above	1	10,074.79	10,074.79	219.80	219.80
Trade Receivables	3	3,294.07	3,294.07	2,324.31	2,324.31
Loans	3	1,06,942.56	1,06,942.56	51,516.28	51,516.28
Investments	3	82.04	82.04	-	-
Other financial assets	2	982.41	982.41	1,346.33	1,346.33
<b>Total financial assets</b>		<b>1,40,012.91</b>	<b>1,40,012.91</b>	<b>60,844.88</b>	<b>60,844.88</b>
<b>Financial liabilities</b>					
Trade payables	2	313.96	313.96	243.58	243.58
Other payables	2	-	-	-	-
Debt Securities	3	66,236.50	66,236.50	6,000.00	6,000.00
Borrowings (Other than debt securities)	3	32,482.13	32,482.13	27,741.99	27,741.99
Other financial liabilities	3	639.43	639.43	891.64	891.64
<b>Total financial liabilities</b>		<b>99,871.72</b>	<b>99,871.72</b>	<b>34,877.21</b>	<b>34,877.21</b>

- Cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**41 Financial risk management****i) Risk Management**

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial company, the Company is exposed to risks that are

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, Cash and bank	Expected loss analysis	Credit risk analysis, diversification of customers/asset
Liquidity risk	Borrowings and other liabilities	Rolling cash flow	Availability of committed credit lines and borrowing
Market risk- Interest rate	non-current borrowings at variable	Sensitivity analysis	Change in interest rates

**A) Credit risk**

Credit risk arises from loans, cash and cash equivalents, bank balance other than cash and cash equivalents, investments and other financial assets. Credit risk is the risk. Credit risk arises from loans financing, cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as shown

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Loans	1,06,942.56	51,516.28
Investments	82.04	-
Trade Receivables	3,294.97	2,324.31
Cash and cash equivalents	17,737.13	5,438.16
Other bank balances	30,976.70	219.80
Other financial asset	982.41	1,346.33

The Company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

The credit risk management policy of the Company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Maintain an appropriate credit administration and loan
- Establish metrics for portfolio monitoring
- Minimise losses due to defaults or untimely payments by borrowers
- Design appropriate credit risk mitigation techniques

**Expected credit loss for loans**

In order to mitigate the impact of credit risk in the future profitability, the Company makes reserves basis the expected credit loss (ECL) model for the outstanding loans. The below discussion describes the Company's approach for assessing impairment as stated in the significant accounting policies.

**Expected credit loss measurement**

In determining whether credit risk has increased significantly since initial recognition, the institution uses the days past due data and forecast information to assess deterioration in credit quality of a financial asset for all the portfolios. The Company considers its historical loss experience and adjusts this for current observable data. Ind AS 109 requires the use of macroeconomic factors.

**Definition of default**

The Company defines a financial instrument as in default, any borrower whose contractual payments are due for more than 90 days is termed as default, which is in line with RBI guidelines.



*[Signature]*

*[Signature]*

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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

47. The Company has any pending litigation filed by borrowers which would impact its financial position.
48. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
49. Loans or Advances in the nature of Loans to specified persons (promoters, directors, KMPs, related parties) that are repayable on demand or without specifying any terms or period of repayment has been listed

S.No.	Type of Borrower	As at March 31, 2023		As at March 31, 2022	
		Amount of loans or advances in Ru.	Percentage to the total	Amount of loans or	Percentage to the
1.	Promoters	-	-	-	-
2.	Directors	-	-	-	-
3.	Key Management Personnel	-	-	-	-
4.	Related parties	16.58	0.01%	-	-

The related party loans as at 31st March 2023 in ru. The related party parties to the loans are:

50. There were no disputed dues in respect of Goods and Services Tax and Income tax which have not been deposited.
51. The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which said code becomes effective and the rules framed thereunder are published.
52. Figures for the previous year have been regrouped/re-classified to conform to the figures of the current year.
53. The company does not possess any immovable property in the books. Hence there are no title deeds of immovable property held in the name of Company.
54. As the company does not possess any plant, property and equipment in the books. Hence revaluation of plant, property or equipment and right to use has not been revalued.
55. The company does not possess any capital work in progress during the year.
56. The company possess intangible assets under development amounting to Ru. 48.87 Lakhs (31-03-2022: Ru. 34.99 Lakhs) as disclosed in note no. 1.
57. No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
58. The company has sanctioned a working capital limit (WCCL) of Rs 2500 lakhs from financial institution on the basis of security of current assets (i.e., book debts of the company and warehouse guarantee by the holding company on 28th February 2023. Quarterly Returns/Statements, in respect of book debts have been filed by the company with the financial institution.
59. The Company has timely repaid the installments due from Banks and Financial Institutions.
60. The Company has made reimbursement of Expenses of Rs. 10.32 with Company which were in the process of check off under section 248 of the Companies Act, 2013 or section 248 of the Companies Act, 1956 during the year.
61. The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period.
62. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.
63. During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.
64. During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
65. During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
66. There were no transactions of crypto currency during the year ended 31-03-2023.
67. There were no undisclosed income for the year ended 31.03.2023.
68. The above financial statements have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 29-05-2023.

Suri & Sudhir  
New Delhi  
Chartered Accountants

Sudhir Kumar Awara  
Partner  
Membership No: 000330  
UDIN: 23000330GUCZC0926

For and on behalf of the Board of Directors  
Akara Capital Advisors Private Limited

Sudhir Agarwal  
Director  
DIN: 00000260

Satish Thakur  
Company Secretary  
M.No: A40393

Place : Delhi  
Date : 29-05-2023

For Akara Capital Advisors Private Limited

Satish Thakur  
Company Secretary  
DIN: 00000260

Place : Delhi  
Date : 29-05-2023



**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**Probability of Default ('PD')**

PD is defined as the probability of whether the borrower will default on their obligation in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 a lifetime PD is required (equivalent to 12-month PD in the given case) while Stage 3 assets are considered to have a 100% PD. The loans have been segmented into three stages based on the risk profiles which reflect the general pattern of credit deterioration of a loan. The Company categorises loans at the reporting date into stages based on the days past due ('DPD') status as under: -

Stage 1: Low credit risk, i.e. 0 to 30 days past due

Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due

Stage 3: Impaired assets, i.e. more than 90 days past due

The company considered other variables such as Gross Domestic Product, Core Inflation and PMI index, however all these factors were found to be an aggregate of

**Loss Given Default ('LGD')**

Loss given default (LGD) represents estimated financial loss the Company is likely to suffer in the event of default. LGD is calculated using recovery pattern and value of collateral (if applicable) in default accounts.

The company has added all costs incurred on actuals basis for recovery in all default cases to arrive at final LGD. The recovered amount in all default cases has been discounted for the weighted average of the number of days of default in all such cases to compute the final LGD.

**Exposure at Default ('EAD')**

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

The company has considered cross default criteria while computing EAD i.e. If any customer defaults on one active loan then the customer has been marked as default on other loan (if any) as well.

While computing EAD for stage 1 accounts, the company has considered 75% commitments as per RBI guidelines which are contractual or undrawn lines as the same does not require any pre-approval at the time of disbursement. For stage 2 and 3 accounts, the Company has not considered any commitment on the undrawn lines for EAD as the policy does not allow for any disbursement in case of any overdue.

The ECL is computed as a product of PD, LGD and EAD.

**Quantitative and qualitative factors considered along with quantification i.e. loss rates**

Impact of specific risk factors was taken into account while staging of accounts and computation of PD. The forecasted point in time (PIT) PDs have been estimated by establishing a link between through the cycle (TTC) PDs and macroeconomic variables i.e. growth rate prescribed by Index of Industrial Production ('IIP'). The macro-economic variables were regressed using a logical regression against systemic default rate out of the impact of macro-economic variables on the system wide default rates.

As per the guidelines laid under the standard, the company has done probability weighted scenarios to arrive at the final ECL. These scenarios reflect a baseline, upturn and downturn in economic activity basis which ECL requirements could vary. The final ECL has subsequently been discounted.



**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**Forward looking information incorporated in ECL models**

The data source for macroeconomic variable is website of Ministry of Statistics and Programme Implementation, which has then been further forecasted using excel's Credit risk exposure and impairment loss allowance

	As at March 31, 2023		As at March 31, 2022	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage 3)	4,301.41	1,505.49	2,065.90	46.96
Loan assets having significant increase in credit risk (Stage 2)	8,604.16	1,928.55	2,922.08	35.06
Other loan assets (Stage 1)	93,903.90	1,183.00	46,368.59	46.37
<b>Total</b>	<b>1,06,809.47</b>	<b>4,617.04</b>	<b>51,357.57</b>	<b>128.39</b>

An analysis of Expected credit loss rate\* :

	As at March 31, 2023	As at March 31, 2022
Stage-1	1.26%	0.10%
Stage-2	22.41%	1.20%
Stage-3	35.00%	2.27%
<b>Total</b>	<b>4.32%</b>	<b>0.25%</b>

\* Expected credit loss rate is computed ECL divided by EAD

**Write off policy**

Financial assets are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when, as at the reporting date, financial asset is overdue for 12 months or more and the Company determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write off.

Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

*The Company has written off financial assets amounting to Rs 5584.78. Hence the ECL provision has been adjusted against it.*

**B) Liquidity risk**

Liquidity risk arises as Company has contractual financial liabilities that is required to be serviced and redeemed as per committed timelines and in the business of lending where money is required for the disbursement and creation of financial assets to address the going concern of Company. Liquidity risk management is imperative to Company as this allows covering the core expenses, market investment / creation of financial assets, timely repayment of debt commitments and continuing with their operations.

Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

**C) Market Risk**

Market risk is the risk that the fair value or future cash flow of financial instrument will fluctuate due to changes in market variables such as interest rates, foreign exchange rates etc. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while maximising the return.

**D) Foreign currency risk**

There are un-hedged liability denominated in foreign currency with the Company as at March 31, 2023 of Rs 170.46 (Previous year ₹ Nil).



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**42. Financial ratios**

Ratio	Measurement unit	Numerator	Denominator	As at 31 March 2023 Ratio	As at 31 March 2022 Ratio	Change	Remarks
Current ratio	Times	Current assets	Current liabilities	3.22	2.50	29%	Refer Note (a)
Debt-equity ratio	Times	Total debt (Non-current borrowings + Current borrowings)	Total equity	2.40	1.20	120%	Refer Note (b)
Debt service coverage ratio	Times	Earnings available to debt service (Profit/(Loss) after tax + Depreciation and amortisation less provision for asset cost less on sale of property, plant and equipment)	Debt service (Interest and lease payments principal repayment)	1.43	1.43	14%	N/A
Return on equity ratio	Percentage	Net profit after tax	Average shareholder's equity (opening shareholder's equity + closing shareholder's equity) / 2	0.67	0.64	106%	Refer Note (c)
Inventory turnover ratio	Times	Cost of materials consumed + Purchases at stock-on-trade	Average inventories	NA	NA	NA	Refer Note (d)
Trade receivables turnover ratio	Times	Revenue from operations	(opening trade receivables + closing trade receivables) / 2	NA	NA	NA	Refer Note (e)
Trade payables turnover ratio	Times	Purchases + other expenses (excluding amortisation)	Average trade payables (opening trade payables + closing trade payables) / 2	NA	NA	NA	Refer Note (f)
Net capital turnover ratio	Times	Revenue from operations	Working capital	0.23	0.18	47%	Refer Note (g)
Net profit ratio	Percentage	Net profit after tax	Revenue from operations	0.12	0.14	-11%	NA
Return on capital employed	Percentage	Earnings before interest and taxes (excluding interest on loans)	Net worth + Total debt - Deferred tax asset	0.88	0.65	67%	Refer Note (h)
Return on investment	Percentage	Pre-tax income on bank deposits	Current and non-current bank deposits	0.02	0.93	-49%	Refer Note (i)

**Remarks**

(a) There has been increase in Current assets (TUS) as compared to Previous Financial Year.

(b) The company has raised more debt as compared to Previous Financial Year.

(c) With the increase in Debtless Operations, there has been increase in profits as compared to Previous Financial Year.

(d) As the company is involved in service sector, it passes up inventory. Hence the inventory turnover ratio is NA.

(e) The Company has not incurred trade or credit purchases during FY 2022 and FY 21-22, hence this ratio is not being compared.

(f) With the increase in Debtless Operations, there has been increase in profits as compared to Previous Financial Year.

(g) There has been a significant increase in TDR in current Financial Year as compared to Previous Financial Year.

(h) There has been increase in revenue as compared to previous year.



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**

Notes forming part of the Ind AS financial statements for the period ended March 31, 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

**43. Expenditure on Corporate Social Responsibility**

Particulars	31-Mar-23	31-Mar-22
(a) Gross amount required to be spent	7.50	-
(b) Amount spent:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	6.28	-
(c) Shortfall at the end of the year	1.22	-
(d) Total of previous years shortfall	-	-
(e) Administrative expenses	-	-

**Nature of CSR activities:**

Social welfare activities such as free education for unprivileged children, adult education and job placements, protection, promotion &amp; advancement of women, children, old-aged, handicapped, orphans and widows.

The company has transferred the amount remaining unpaid in respect of other than ongoing projects, to a Special Account till the date of our report.

However, the time period for such transfer i.e., six months of the expiry of the financial year as permitted under the second proviso to sub-section (2) of section 135 of the Act, has not elapsed till the date of our report.

**44. Commitments and Contingencies**
**(i) Claims against the Company not acknowledged as debts**

	As at 31 March 2023	As at 31 March 2022
(i) In respect of demands collected by the Company:		
- Legal cases in respect of compensation demanded by the customers/employees	15.09	-

Based on management's assessment, the Company has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of the Company.

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings when ultimately concluded will not, in the opinion of management, have a material effect on the result of operations or the financial position of the Company. The cash flows in respect of above matters are discernible only on receipt of judgments/decisions pending at various stages/forums.

Instances of fraudulent representations by the customers i.e. frauds are committed by unscrupulous borrowers. As confirmed by the management there are 49 such fraud cases amounting to Rs 171.02 lakhs which have been reported during the year ended 31st March 2023.

The Management also confirms that out of the above cases 7 of them amounting to Rs 7.55 lakhs of fraudulent borrowings have been reported to RBI and they are in process of reporting the remaining frauds to RBI.

We have also come across instances of employee frauds in collusion with vendors amounting to Rs 112.16 lakhs. The company has lodged a complaint against them for cheating. Such complaints are entered in the registration of an FIR.

**45. Disclosures required under Section 12 of the Micro, Small and Medium Enterprises Development Act, 2006:-**

Particulars	As at	
	March 31, 2023	March 31, 2022
(a) The principal amount remaining unpaid to any supplier as at the end of the year;	39.88	71.50
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year;	-	-
(c) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year;	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without making the interest specified under the MSMED Act;	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the year; and	-	1.79
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

**46. Disclosure in compliance with amendment in Schedule III (Division II) to the companies act, 2013 dated 24th March 2021**

Particulars	Computation	As at March 31, 2023
(a) Capital to risk-weighted assets ratio (CRAR)	Total Net owned funds / Adjusted value of funded risk assets on balance sheet	33.92%
(b) Financial Assets to Total Assets	Total Financial Assets / Total Assets	74.69%
(c) Financial Income to Total Income	Total Financial Income / Total Income	98.29%





**Akara Capital Advisors Private Limited**  
**Notes to standalone financial statements for the year ended 31 March 2023**  
**CIN No.: - U74110DL2016PTC290970**

**1. Corporate Information**

Akara Capital Advisors Private Limited ('the Company') is a company domiciled in India, with its registered office situated at 60, Third Floor, Arjun Nagar Kotla Muharapur, Delhi-110003. The company was registered as a Non-Deposit taking Non-Banking Financial Company under section 451A of the Reserve Bank of India (RBI) Act 1934.

The Authorized Share Capital of the company is Rs. 40,000.00 divided into 40,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per shares at all times. The Subscribed Share Capital of the company is Rs. 27,055.93 divided into 2,70,55,93.31 ordinary equity shares of Rs. 10/- carrying one voting rights per shares at all times.

The company is a wholly owned subsidiary of Monis Technologies Pte Ltd having a shareholding of Rs. 27,055.92.00 in the entire share capital of Akara Capital Advisors Private Limited.

**2. Basis of preparation of standalone financial statements**

**(i) Statement of compliance**

These standalone financial statements ('financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 29<sup>th</sup> May 2023.

Details of the Company's accounting policies are included in Note 3.

**(ii) Functional and presentation currency**

These standalone financial statements are prepared in INR lakhs, which is the Company's functional and presentation currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof except share data and per share data, unless otherwise stated.

**(iii) Basis of measurement**

These standalone financial statements have been prepared on the historical cost basis, except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Other financial assets and liabilities	Amortised cost

**(iv) Amended Accounting Standards (Ind AS) and interpretations effective during the year**

**a. Ind AS 109 Financial Instruments; Ind AS 107 Financial Instruments: Disclosures**

The amendment to Ind AS 109, provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

The amendment to Ind AS 107, clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform:

- (i) the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;
- (ii) the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition;
- (iii) the instruments exposed to benchmark reform disaggregated by significant interest rate benchmark along with qualitative information about the financial instruments that are yet to transition to alternative benchmark rate;
- (iv) changes to entity's risk management strategy.

The amendments introduced a similar practical expedient in Ind AS 116. Accordingly, while accounting for lease modification i.e. remeasuring the lease liability, in case this is required by interest rate benchmark reform, the lessee will use a revised discount rate that reflects the changes in the interest rate.

These amendments did not have any material impact on the financial statements of the Company.



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**b. Amendments consequent to issue of Conceptual Framework for Financial reporting under Ind AS (Conceptual Framework)**

- (i) Ind AS 102 Share Based Payments - Amended the definition of 'liabilities' to 'a present obligation of the entity to transfer an economic resource as a result of past events'.
- (ii) Ind AS 103 Business Combinations - The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definitions of an asset and a liability given in the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards rather than the Conceptual Framework.
- (iii) Ind AS 114 Regulatory Deferral Accounts - The amendment added a footnote against the term 'reliable' used in the Ind AS 114. The footnote clarifies that term 'faithful representation' used in the Conceptual Framework encompasses the main characteristics that the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards called 'reliability'. However, for the purpose of this Ind AS, the term 'reliable' would be based on the requirements of Ind AS 8.
- (iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - The MCA clarified that the definition of term 'liability' in this Ind AS is not being revised following the revision of the definition of liability in the Conceptual Framework.
- (v) Ind AS 38 Intangible Assets - The MCA clarified that the definition of an 'asset' in this Ind AS is not being revised following the revision of the definition of asset in the Conceptual Framework.
- (vi) Ind AS 1 Presentation of Financial Statements; Ind AS 8 Accounting policies, Changes in Accounting Estimates and Errors and Ind AS 34 Interim Financial Reporting - The reference to the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards has been substituted with reference to the Conceptual Framework.

The above amendments did not have any material impact on the financial statements of the Company.

**(v) Use of estimates and judgements**

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as disclosures. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amount recognised in the financial statements pertains to ;

**a) Useful lives and recoverable amount of property, plant and equipment and intangible assets:**

The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimates and assumptions regarding the expected market outlook, expected future cash flows, growth rates, obsolescence, demand, competition, and known technological advances. The charge in respect of periodic depreciation/ amortisation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting period.

**b) Impairment assessment:**

Property, plant and equipment, right-of-use assets and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic, fair value and market conditions.

**c) Income taxes:**

Recognition of deferred tax assets/ liabilities involves making judgements and estimations about the availability of future taxable profit against which tax losses carried forward can be used. A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.



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**d) Litigations**

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

**e) Employee benefit obligations:**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(vi) Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 46- financial instruments.

**(vii) Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be within 12 months for the purpose of current and non-current classification of assets and liabilities.



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Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **3. Significant accounting policies**

#### **A. Property, plant and equipment**

##### **(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

##### **(ii) Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

##### **(iii) Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives mentioned in Schedule II to the Companies Act, 2013, using the Straight Line Method and is recognised in the statement of profit and loss.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

#### **B. Intangible assets**

Intangible assets are self-generated and stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

##### **Amortization method, estimated useful life and residual value**

Intangible assets are amortized at straight line method over the period of their life. The amortisation period, residual value and the amortisation method are reviewed at least at each balance sheet date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

#### **C. Intangible Assets under Development**

The intangible assets which are in the process of development are recognised as intangibles assets under development. Once developed they are recognised as intangible assets.

#### **D. Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **E. Financial instruments**

##### **(i) Recognition and initial measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another



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entity. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

**(ii) Classification and subsequent measurement**

*Financial assets*

On Initial recognition, a financial asset is classified as measured at:

- Amortised cost
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at the amortised cost if both of the following conditions are met and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

*Financial assets: Business model assessment*

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- a) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- b) how the performance of the portfolio is evaluated and reported to the Company's management;
- c) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- d) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- e) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

*Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.



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**Akara Capital Advisors Private Limited**  
**Notes to standalone financial statements for the year ended 31 March 2023**  
**CIN No.: - U74110DL2016PTC290970**

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- a) contingent events that would change the amount or timing of cash flows;
- b) terms that may adjust the contractual coupon rate, including variable interest rate features;
- c) prepayment and extension feature, and
- d) terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

*Financial assets: Subsequent measurement and gains and losses*

*Financial assets at FVTPL*

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

*Financial assets at amortised cost*

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

*Debt investments at FVOCI*

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

*Equity investments at FVOCI*

These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

*Financial liabilities: Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

**(iii) Derecognition**

*Financial asset*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

*Financial liability*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this



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case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

**(iv) Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**F. Financial instrument classified as financial liability**

Financial instrument which requires the Company to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, and where Company does not have an unconditional right to avoid such obligation, are classified as financial liability. Such classification is in substance of the contractual arrangement and as per the definitions of the financial liability. Such financial instruments are recognized as financial liability at the full amount, without taking into account the timing of the contingent event. This is as per the rules of contingent settlement provisions. The equity component for such financial instruments will be nil.

Initial recognition of such financial instrument as financial liability will be at fair value and subsequent changes in fair value is recognized in profit or loss (i.e. PVTPL).

**G. Impairment**

**(i) Impairment of financial assets**

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

**Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates and delays in realisations over the expected life of the trade receivable and is adjusted for forward looking estimates. At every balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets

**(ii) Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

**H. Provisions, contingent liabilities and contingent assets**



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A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

#### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

#### **Contingent assets**

Contingent assets are not recognised but disclosed in the standalone financial statements when an inflow of economic benefits is probable.

#### **I. Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Company's activities. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is presented net of returns, trade allowances, discounts, value added taxes, goods and service taxes (GST). Revenue is recognised as follows:

- I. Interest income on all loans upto 90 days is recognized under accrual basis. Beyond that or in case of any default on loan repayment interest income is recognized only when realized.
- II. Processing fees on loans are recognized on upfront basis in the books of IT Service Provider as platform fees.(The IT Service Company provides a customer interface with Akara Capital Advisors Private Limited).
- III. In the cases the loans falls due over 150 days, the principal outstanding and interest received as and when are transferred to the books of IT service provider.
- IV. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.
- V. Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rates.
- VI. Dividend income is accounted when the right to receive dividend is established

All other income is recognized on an accrual basis.

The company has reported accrued interest income on loans amounting to **Rs 838.12 lakhs**. The Revenue is recognized for Interest Accrued but not received on Standard Asset up to 90 days till the period ended 31<sup>st</sup> March 2023.

#### **J. Foreign currency transactions**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit and loss.

#### **K. Employee benefits**

The Company's obligation towards various employee benefits has been recognised as follows:

##### **(i) Short term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of



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obligation can be estimated reliably.

**(ii) Long term employee benefits**

*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund, employee's state insurance scheme and labour welfare fund are defined contribution plans. These contributions are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related services.

*Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company has defined benefit plan, Gratuity.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets, if any.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in other comprehensive income (OCI). The Company determines the net interest expense/(income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**(iii) Other long term employee benefits – compensated absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit Credit Method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

**I. Income tax**

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is



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probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**M. Recognition of interest income or expense**

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payment or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

**N. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For SURI & SUDHIR**  
**Chartered Accountants**  
(FRN: 000601N)

  
  
**SUDHIR KUMAR ARORA**  
**PARTNER**  
Membership No.: 080338  
Place: NEW DELHI  
Date: 29-05-2023  
UDIN: 23080338BGUCZC8926

  
**TUSHAR AGGARWAL**  
**Director**  
DIN: 01587360

  
**SHRUTI AGGARWAL**  
**Director**  
DIN: 06867269

**For and on behalf of the Board of Directors**

  
**SONIA THAKUR**  
**Company Secretary**  
Membership No-A40393



# AKARA CAPITAL ADVISORS PRIVATE LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Director's take pleasure in presenting the Directors' report on the business and operations of the Company along with summarized financials for the financial Year ended March 31, 2022.

### 1. Financial Results:

The Company's financial performance for the financial Year ended March 31, 2022 is summarized below:

Particulars	For the year ended March 31, 2022 (in INR)	For the year ended March 31, 2021 (in INR)
Total Income	49,43,17,280.00	21,20,81,896.00
Expenditure	43,61,73,132.00	18,46,30,627.00
Profit/(Loss) before tax	5,49,95,504.00	2,74,51,269.00
Less: Tax Expenses		
Current Tax	1,73,13,251.00	71,84,520.00
Previous Year Tax	0.00	0.00
Deferred Tax charge	(55,64,899.00)	18,56,091.00
Profit /(Loss) for the year after taxation	4,32,47,152.00	1,84,10,658.00

### 2. State of the Company's Affairs:

Your Company was incorporated on 11<sup>th</sup> February, 2016 with the Registrar of Companies, Delhi. The Company is engaged in the activities of Finance and is registered with Reserve Bank of India as an NBFC and there is no change in the nature of business of the company during the year under review.

During the Financial Year ended March 31, 2022, your Company earned a revenue of INR 49,43,17,280.00 (Rupees Forty Nine Crores Forty Three Lakhs Seventeen Thousand Two Hundred and Twenty Eight Only) and incurred expenditure of INR 43,61,73,132.00 (Forty-Three Crores Sixty One Lakhs Seventy Three Thousand One Hundred and Thirty-Two Only). However, during the previous financial year ended March 31, 2021, your Company earned INR 21,20,81,896.00 (Rupees Twenty-One Crores Twenty Lakhs Eighty-One Thousand Eight Hundred and Ninety-Six only) and incurred an aggregate expenditure of INR 18,46,30,627.00 (Eighteen Crores Forty-Six Lakhs Thirty Thousand Six Hundred and Twenty-Seven only).

For the financial year ended March 31, 2022, the company made net profit of INR 4,32,47,152.00 (Four Crores Thirty Two Lakhs Forty Seven Thousand One Hundred and Fifty Two Only) and the year ended 31<sup>st</sup> March, 2021 the company made net profit of INR 1,84,10,658.00 (One Crore Eighty-Four Lakh Ten Thousand Six Hundred and Fifty Eight Only).

### 3. Dividend:

Although the Company has earned profit, the Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the Company's Dividend Distribution Policy,



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## AKARA CAPITAL ADVISORS PRIVATE LIMITED

has decided that it would be prudent, not to recommend any dividend for the financial year ended March 31, 2022.

#### **4. Transfer to Reserves:**

During the financial year the Company has carried forward Profit & Loss balance of INR 4,32,47,152.00 Four Crores Thirty Two Lakhs Forty Seven Thousand One Hundred and Fifty Two Only) - to surplus during the year and in accordance with the provision of Section 45-IC of the Reserve Bank of India Act, 1934 the company has transferred to statutory Reserve 20% profit after tax i.e. an amount of INR 1,09,99,100.00 (Rupees One Crore Nine Lakhs Ninety-Nine Thousand One Hundred Only)

#### **5. Change in the nature of business, if any:**

There has been no change in the nature of business of the Company during financial year under review.

#### **6. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year and the date of the report:**

There have been no material changes and/or commitments occurred subsequent to the close of the financial year of the Company to which the balance sheet relates i.e., March 31, 2022 and up to the date of signing of this report, which might affect the financial position of the Company.

#### **7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There have been no order, whatsoever, passed or issued by any regulators, courts or tribunals, which might affect the going concern status and company's operations in future.

#### **8. Risk Management Policy, development and its implementation:**

The Company's Risk Management Policy with a robust supporting risk management framework facilitates identification and assessment of new risks and review of presently identified risks. The process is based on identified risks and the risk events or factors which require regular assessment and quick response. Based on the probability & impact of the risk, the requisite controls and action plans have been designed and implemented. The Key Risk Indicators have been identified to measure the adequacy, effectiveness and efficiency of these, controls and action plans.

#### **9. Internal Control Systems:**

The Company's internal control systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

#### **10. Directors' Responsibility Statement:**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

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## AKARA CAPITAL ADVISORS PRIVATE LIMITED

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a 'going concern' basis; and
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **11. Public Deposits:**

During the year under review, the Company has not accepted any deposits from the public within the meaning of Companies Act, 2013 and rules made there under.

### **12. Statutory Auditors:**

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, M/s Suri & Sudhir, Chartered Accountants, (FRN-000601N), Delhi were appointed as Statutory Auditors of the Company for the period of 5 years starting from 01/04/2017 to 31/03/2022 in the Annual General Meeting of the Company held in 2017 and their term has been expired. Further, they have given their consent for the re-appointment of another term of 5 years from the financial year 2022-23 to financial year 2026-27 in the ensuing Annual General Meeting

Board's explanation and Comments on Auditors report: The Notes on Accounts read with the Auditors Report are self-explanatory and therefore do not require any further comments or explanations as the Auditor's Report given by auditors of the Company doesn't contain any qualification, reservation, or adverse remarks.

The Statutory Auditors in their report for the financial year ended March 31, 2022 does not refer about any fraud.

### **13. Cost Auditor:**

As per the Section 148(1) of the Companies Act, 2013 the provisions of maintenance of cost records are not applicable on the Company for the Financial Year 2022-22.

### **14. Secretarial Auditor:**

The Company was not required to appoint any Secretarial Auditor in terms of the applicable provisions of section 204 of the Companies Act, 2013 read with relevant rules framed there under during the period under review. Therefore, no secretarial audit report is required to be obtained.

## AKARA CAPITAL ADVISORS PRIVATE LIMITED

### 15. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:

The disclosure under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to foregoing matters are as follows.

#### **a. Conservation of Energy:**

Since the Company does not own any manufacturing facility, the particulars relating to conservation of Energy and technology absorption in the above rules are not applicable.

#### **b. Technology Absorption:**

The Company is not involved in any activity relating to technology absorption.

#### **c. Foreign Exchange Earning & Outgo: (in INR)**

The Foreign Exchange earnings & outgo during the year was as follows:

Particulars	2021-22	2020-21
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	-	-

### 16. Corporate Social Responsibility (CSR):

The provisions pertaining to the Corporate Social Responsibility ("CSR") in terms of the section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to the Company for the financial year ended March 31, 2022.

### 17. Extract of the Annual Return:

MCA vide Notification dated 05.03.2021 (effective from same date) has substituted Rule 12 of Companies (Management and Administration), Rules, 2014 and have done away with the requirement of filing the Extract of the annual return in Form MGT-9.

### 18. Contracts or Arrangements Made with Related Parties Referred to in Sub-Section (1) of Section 188 of the Act

The Company had entered into the related party contract with EQX Analytics Private Limited in the earlier year(s). The related party transactions took place at arm's length basis in the ordinary course of business. The Contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 are furnished in Annexure -I and is attached to this Report.

### 19. Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013:

The Company has not entered into any transaction of or given, whether within the prescribed limit or beyond the limit, any loan, guarantee or investments under section 186 of the Companies Act, 2013. Accordingly, no disclosure is required to be made by the Company in this regard.

### 20. Share Capital:

Share capital of the Company is INR 400,00,00,000/- divided into 40,00,00,000 equity shares of INR 10/- each. The Paid-up share capital of the Company is INR 2,11,19,05,190/- divided into 21,11,90,519 equity shares of INR 10/- each as on 31<sup>st</sup> March 2022. During the financial year 2021-22, the paid up capital of the company has been changed and the company obtained the necessary RBI approval.





## AKARA CAPITAL ADVISORS PRIVATE LIMITED

Akara Capital Advisors Private Limited is a wholly owned subsidiary of Morus Technologies Pte. Ltd. Further, the company has no subsidiary or joint ventures or associate companies.

**a. Sweat Equity shares:**

The Company has not issued any sweat equity shares during the financial year under review.

**b. Issue of further Share Capital:**

The Company has issued 15,21,21,416 equity Shares of INR 10 each during the Financial Year under review and has issued 15,21,21,416 equity shares of INR 10 each to M/s. Morus Technologies PTE LTD through Rights Issue.

**c. Buy back of Shares:**

During the year under review, the Company has not made any offer to buy back its shares.

### **21. Number of meetings of the Board of Directors:**

During the period under review, the Board of Directors of the Company met 25 times. The intervening gap between any two board meetings was within the period prescribed by the Companies Act, 2013 ('Act') and the Articles of Association ('AoA') of the Company. Proper quorum was present at all the Board meetings held. The Board meetings held during the year are mentioned below

S. No.	Date of the Board Meeting	No. of Directors required to attend the BM	No. of Directors attended the BM
1.	14th May, 2021	4	3
2.	25th June, 2021	4	3
3.	24th July, 2021	4	3
4.	21st August, 2021	4	4
5.	09th September, 2021	4	4
6.	15th September, 2021	4	4
7.	24th September, 2021	4	4
8.	29th September, 2021	4	4
9.	22nd October, 2021	4	4
10.	02nd November, 2021	4	4
11.	09th November, 2021	4	4
12.	25th November, 2021	4	4
13.	07th December, 2021	4	4
14.	23rd December, 2021	4	4
15.	25th January, 2022	4	4
16.	03rd February, 2022	4	4
17.	11th February, 2022	4	4
18.	22nd February, 2022	4	4
19.	24th February, 2022	4	4
20.	01st March, 2022	5	5
21.	08th March, 2022	5	5
22.	16th March, 2022	5	5
23.	22nd March, 2022	5	5
24.	29th March, 2022	5	5
25.	31st March, 2022	5	5

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## AKARA CAPITAL ADVISORS PRIVATE LIMITED

### 22. Annual General Meeting/ Extra-Ordinary General Meeting:

During the financial year 2021-22, following are the details of the Annual General Meeting ("AGM") and Extra-Ordinary General Meeting ("EGM"):

Sr. No	Type of Meeting	Date of AGM/ EGM	Total Number of Members	Number of Members present
1.	AGM	28 <sup>th</sup> September, 2021	2	2
2.	EGM	25th June, 2021	2	2
3.	EGM	28th February, 2022	2	2

### 23. Directors and Key Managerial Personnel:

Board of Directors as on 31<sup>st</sup> March, 2022

The following directors are holding office:

Sr. No.	DIN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Director	11/02/2016
2	03598173	Mr. Satish Chandra Sinha	Director	25/07/2016
3	06867269	Ms. Shruti Aggarwal	Director	11/02/2016
4	01309312	Mr. Radhakrishnan Ramachandra Iyer	Independent Director	03/02/2021
5	09345384	Mr. Vijay Ronjan	Independent Director	24/02/2022

### Key Managerial Personnel

Sr. No.	PAN	Name	Designation	Date of Appointment
1	BBXPP6320D	Paveet Dahiya	Company Secretary	30/03/2018

Ms. Paveet, Company Secretary of the Company resigned with effect from 1st August, 2022 and Ms. Sonia Thakur was appointed as the Company Secretary of the Company with effect from 03rd August, 2022.

### 24. Changes in Directors and Key Managerial Personnel:

During the year under review, Mr. Vijay Ronjan was appointed as an Additional Director of the Company in the Board meeting held on 24<sup>th</sup> February, 2022 and was regularized in the Extra Ordinary General Meeting of the Company dated 28th February, 2022.

### 25. Managerial Remuneration:

The Company being a private limited company, therefore, the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

### 26. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal





## AKARA CAPITAL ADVISORS PRIVATE LIMITED

Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Following is the summary of sexual harassment complaints received and disposed-off during the financial year ended March 31, 2021:

- a. No. of Complaints received : Nil
- b. No. of Complaints disposed-off: Nil
- c. No. of cases pending: Nil

### **27.Compliance with Secretarial Standard**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

During the year under review the Company have complied all the secretarial standards issued by the Institute of Company Secretaries of India.

### **28.Declaration of Independent Directors**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company. However, the Company has appointed Mr. Radhakrishnan Iyer and Mr. Vijay Ronjan as the Independent Director of the Company and the required declarations have been obtained from them.

### **29.Company's Policy relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

### **30.Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

### **31.Disclosure of Composition of Audit Committee and Providing Vigil Mechanism**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

### **32.Particulars of Employees**

During the year none of the employees are in receipt of remuneration of more than INR One Crore and Two Lakhs, or employed for the part of the year under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

### **33.Adequacy of Internal Financial Control**

The details in respect of adequacy of internal financial controls with reference to the Financial Statement as mentioned in Annexure of Auditor Report with respect to section 143 of the Companies Act, 2013.



## AKARA CAPITAL ADVISORS PRIVATE LIMITED

### 34.Registration as a Systemically Important Non-Deposit taking NBFC

The Company has been registered with the Reserve Bank of India as a Non-Banking Financial Institution (Non-Deposit taking). In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is categorised as a "Systemically Important Non-Deposit taking Non-Banking Financial Company". The Company has not accepted public deposits during the year under review. The company is fulfilling all requirement as per the guidelines issued by RBI.

### 35. Change of status from NBFC-ND-NSI to NBFC-ND-SI

The Company has crossed the asset size of Rs. 500/- Crores as per the provisional financials dated 31st March, 2022 and thus, as per the Master Circular DNBR (PD) CC.No.055/03.10.119 /2015-16 dated July 01, 2015 and Revised Regulatory Framework for NBFC Circular DNBR (PD) CC. No. 002/03.10.001/2014-15 dated November 10, 2014 that defines the criteria for NBFC-ND-SI as follows:

*"A non-deposit taking NBFC with an asset size of less than Rs. 500 crore as on balance sheet date might subsequently add on assets before the next balance sheet date due to several reasons including business expansion plan. It is clarified that once an NBFC reaches an asset size of Rs. 500 crore or above, it shall come under the regulatory requirement for NBFCs-ND-SI as stated above, despite not having such assets as on the date of last balance sheet. Therefore, it is advised that all such non-deposit taking NBFCs may comply with RBI regulations issued to NBFC-ND-SI from time to time, as and when they attain an asset size of Rs. 500 crore, irrespective of the date on which such size is attained."*

Thus, henceforth our company be deemed as NBFC-ND-SI.

### 36.Acknowledgements:

The Directors wish to express their gratitude to the business associates, customers, bankers and agencies of union and state government and other stakeholders for their continues support and assistance.

By the Orders of Board of Directors  
For Akara Capital Advisors Private Limited

Tushar Aggarwal  
(Director)

DIN: 01587360

Add: 6A/2, Raj Narain Road,  
Civil Lines, New Delhi – 110054

Shruti Aggarwal  
(Director)

DIN: 06867265

Add: 6A/2, Raj Narain Road,  
Civil Lines, New Delhi - 110054

Date: 17<sup>th</sup> August, 2022

Place: New Delhi



# AKARA CAPITAL ADVISORS PRIVATE LIMITED

## Annexure I

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

#### 1. Details of contracts or arrangements or transactions not at arm's length basis: NA

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:


1. (a) Name(s) of the related party and nature of relationship: EQX Analytics Private Limited (Parties having Significant influence)
- (b) Nature of contracts/arrangements/transactions: Memorandum of Agreement (Availing the Line of Credit by Akara for meeting the financial requirements and for further on-lending to the customers as short-term personal loans for salaried individuals and make all reasonable efforts to recover the same and repaid to the EQX Analytics Private Limited)
- (c) Duration of the contracts / arrangements/transactions: 36 Months
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: On Arm Length Basis
- (e) Date(s) of approval by the Board, if any: 13<sup>th</sup> March 2020 (Through Resolution by Circulation)
- (f) Amount paid as advances, if any: NIL
2. (a) Name(s) of the related party and nature of relationship: Ms. Shruti Aggarwal (Director)
- (b) Nature of contracts/arrangements/transactions: Remuneration & Reimbursement of Expenses
- (c) Duration of the contracts / arrangements/transactions: Continuous
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Date(s) of approval by the Board, if any: NA
- (f) Amount paid as advances, if any: NIL
3. (a) Name(s) of the related party and nature of relationship: Mr. Satish Chandra Sinha (Director)
- (b) Nature of contracts/arrangements/transactions: Director Sitting Fees
- (c) Duration of the contracts / arrangements/transactions: Continuous



## AKARA CAPITAL ADVISORS PRIVATE LIMITED

- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
NA
- (e) Date(s) of approval by the Board, if any: NA
- (f) Amount paid as advances, if any: NIL
4. (a) Name(s) of the related party and nature of relationship: Mr. Radhakrishnan (Director)  
(b) Nature of contracts/arrangements/transactions: Sitting Fees  
(c) Duration of the contracts / arrangements/transactions: Continuous  
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
NA  
(e) Date(s) of approval by the Board, if any: NA  
(f) Amount paid as advances, if any: NIL
5. (a) Name(s) of the related party and nature of relationship: Ms. Paveet (KMP)  
(b) Nature of contracts/arrangements/transactions: Remuneration  
(c) Duration of the contracts / arrangements/transactions: Continuous  
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
NA  
(e) Date(s) of approval by the Board, if any: NA  
(f) Amount paid as advances, if any: NIL

By the Orders of Board of Directors  
For Akara Capital Advisors Private Limited

  
Tushar Aggarwal  
(Director)

DIN: 01587360

Add: 6A/2, Raj Narain Road,  
Civil Lines, New Delhi – 110054

  
Shruti Aggarwal  
(Director)

DIN: 06867269

Add: 6A/2, Raj Narain Road,  
Civil Lines, New Delhi – 110054

Date: 17th August, 2022

Place: New Delhi





## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **M/s Akara Capital Advisors Private Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of "**M/s Akara Capital Advisors Private Limited**" ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Emphasis of Matter**

We draw attention to the following matters appearing in the Financial Statements

- I. Note 27(3)(V) of the financial statements, which states that To provide additional relief, the Government of India announced ex-gratia payment to lenders for waiving off compound interest for loans up to 2 crore for some category of borrowers. The Honourable Supreme Court had directed all banks and financial institutions to refund compound interest, interest on interest or penal interest collected during the moratorium period irrespective of the loan amount and category of borrowers.

The Supreme Court also lifted the ban it had imposed on declaring accounts of borrowers as

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performing assets. The company had filed a claim for the Ex Gratia under the scheme for Rs 78,93,585.00. Out of the total amount claimed as refund from Government, The Company has refunded an amount of Rs 3,08,054.26 to the authorities in FY 2021-22 on account of non-identification of specified customers.

- II. With effect from 01st April 2021 there has been change in a accounting policy in recognition of income on loan cases exceeding 90 dpd Due to this there is a de-recognition of interest income for FY 20-21 recorded in prior period items in Financial Statements under note no 21 amounting to Rs 29,69,999.00 .

**Our opinion is not modified in respect of any of the matters specified above.**

### **Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies





Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on other Legal & Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure B**, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f. Being a private company, provisions of section 197 are not applicable to the company.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an **unmodified** opinion on the adequacy and operating



effectiveness of the Company's internal financial controls over financial reporting; and

h. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The management has represented that there was a suit filed against the company and its Directors due to an employee's dispute. Consequently the company paid Rs 1,00,000 for its settlement during the previous year
- (ii) The company had not entered into any long term contracts including derivative contracts
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.

**For Suri & Sudhir**  
**Chartered Accountants**  
**FRN: 000601N**



**Anuj Arora**  
**(Partner)**  
**Membership. No.: 504815**

**Date: 17-08-2022**  
**Place: New Delhi**

**UDIN No. 22504815APUIHK2833**



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Akara Capital Advisors Private Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standard on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Suri & Sudhir**  
**Chartered Accountants**  
FRN: 000601N  
  
  
**Anuj Arora**  
**(Partner)**  
**Memb. No.: 504815**

**Date: 17-08-2022**  
**Place: New Delhi**

**UDIN No. 22504815APUIHK2833**

## **Annexure 'B' to the Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited**

(i)

(a)(A). The company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.

(B). The company has maintained proper records showing full particulars of intangible assets.

(b) All the assets have been physically verified by the management during the year at regular intervals according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

(c) Since the company is not in the possession of any immovable property hence this clause is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) As the Company does not possess any Inventory therefore Para (ii) do not apply.

(b) That the company has not been sanctioned working capital limit from any banks or financial institutions on the basis of security of current assets, therefore clause (ii)(b) is not applicable.

(iii)

(a) Since, the principal business of the Company is to give loans and hence, clause (iii)(a)(A) and (iii)(a)(B) are not applicable.

Since the company has not granted any loan guarantee & securities given to parties covered under Section 189 of the Companies Act, 2013 as at 31st March, 2022, clause (iii)(b), (iii)(c), (iii)(d), (iii)(e), (iii)(f) is not applicable.

(iv) The company has not given any loans & advances to directors and parties covered under section 185 or loans and advances under section 186 of the Companies Act, 2013 and hence the provisions of paragraph (iv) are not applicable to the company.





(v) The Company has not accepted any deposit or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii)

(a) The company is fairly regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of Goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.

(b) That no instance or information has come on our records in context to the Company been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) The company does not have any subsidiaries, Joint venture or associate, therefore clause (ix) (e) is not applicable.

(f) The company does not have any subsidiaries, Joint venture or associate, therefore clause (ix) (f) is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company has not made any preferential allotment of shares during the year under review and hence compliance with the provisions of Section 42 of Companies Act 2013 is not applicable.





- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  
(c) That as represented by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.
- (xiv) (a) The provision of this para is not applicable to the company, therefore clause (xiv) (a) of the order is not applicable.  
(b) Internal audit under Section 138 read with rule 13 of company act is not applicable to the company therefore clause (xiv) (b) of the order is not applicable.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) (a) The company is required to hold Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934, and they hold a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934 vide certificate no. RBI Reg No. NBFC LC N- 14.03354 / 16/01/2017.  
(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the reserve Bank of India Act, 1934 and hence the company has conducted all Activities with a valid Certificate.
- (c) According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi) (c) is not applicable.
- (d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi)(d) is not applicable.
- (xvii) The company has not incurred cash losses in the current financial year as well as immediately preceding financial year



(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) As the companies do not meet any of the conditions specified under Section 135 of the Companies Act 2013, hence clause 3(xx)(a) and (b) is not applicable.

**For Suri & Sudhir  
Chartered Accountants**

**FRN: 000601N**



**Anuj Arora  
(Partner)**

**Membership Number: 504815**

**Date: 17/08/2022**

**Place: New Delhi**

**UDIN No. 22504815APUIHK2833**



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AKARA CAPITAL ADVISORS PRIVATE LIMITED  
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI  
CIN : U74110DL2016PTC290970  
Ph No : 9643309883  
Email : officer@akaracap.com

(F.Y. 2021-2022)

Balance Sheet as at 31st March 2022

Particulars		Note No.	As at 31st March 2022	As at 31st March 2021
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholder's funds</b>				
Share capital		1	2,11,19,05,190.00	59,06,91,030.00
Reserves and surplus		2	67,59,12,449.00	17,63,01,049.00
Money received against share warrants				
<b>Share application money pending allotment</b>			<b>2,78,78,17,639.00</b>	<b>76,69,92,079.00</b>
				<b>72,750.00</b>
<b>Non-current liabilities</b>				
Long term borrowings		3	1,65,39,41,813.00	20,87,12,282.00
Deferred tax liabilities (Net)		4		14,13,347.00
Other long term liabilities				
Long term provisions		5	16,12,903.00	18,91,851.00
<b>Current liabilities</b>			<b>1,65,45,54,716.00</b>	<b>21,20,17,980.00</b>
Short-term borrowings		3	1,71,92,24,852.00	26,85,47,483.00
Trade payables		7		
(A) Micro enterprises and small enterprises				
(B) Others			71,50,009.00	63,76,135.00
Other current liabilities		8	1,72,19,140.00	71,72,251.00
Short-term provisions		5	12,72,57,970.00	2,92,25,507.00
			4,08,86,781.00	1,73,06,778.00
<b>TOTAL</b>			<b>1,92,17,38,802.00</b>	<b>32,86,28,154.00</b>
			<b>6,36,41,11,157.00</b>	<b>1,30,77,10,963.00</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment and Intangible assets		9		
Property, Plant and Equipment			12,631.00	19,999.00
Intangible assets			5,89,54,693.00	3,88,25,023.00
Capital work-in-progress			34,98,676.00	
Intangible assets under development				
<b>Non-current investments</b>				
Deferred tax assets (net)		4	41,51,552.00	
Long-term loans and advances		10	30,63,30,972.00	
Other non-current assets		11	2,72,42,088.00	
<b>Current assets</b>			<b>20,01,90,812.00</b>	<b>3,88,45,022.00</b>
Current Investments				
Inventories				
Trade receivables		12	23,13,99,178.00	21,12,67,219.00
Cash and cash equivalents		13	56,57,95,820.00	6,28,83,246.00
Short-term loans and advances		10	5,13,57,56,445.00	91,84,31,442.00
Other current assets		14	23,09,58,902.00	7,52,84,024.00
<b>TOTAL</b>			<b>6,16,39,20,345.00</b>	<b>1,26,38,65,941.00</b>
			<b>6,36,41,11,157.00</b>	<b>1,30,77,10,963.00</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SURE &amp; SUDHIR

Chartered Accountants

(FRN: 300601N)

New Delhi

Chartered Accountants

ANUJ ABORA

PARTNER

Membership No.: 504819

Place: NEW DELHI

Date: 17/08/2022

UDIN: 22504815APUHK2813



SONIA THAKUR  
Membership No-40393

SHRUTI AGGARWAL  
Director  
DIN: 06867269

TUSHLAR AGGARWAL  
Director  
DIN: 01587360

AAOCA1452F

AKARA CAPITAL ADVISORS PRIVATE LIMITED

60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI

CIN : U74110DL2016PTC290970

Ph No : 9643309883

Email : officer@akaracap.com

(F.Y. 2021-2022)

## Statement of Profit and loss for the year ended 31st March 2022

Particulars	Note No.	31st March 2022	31st March 2021
<b>Revenue</b>			
Revenue from operations	15	49,18,48,893.00	21,01,18,577.00
Less: Excise duty		-	-
<b>Net Sales</b>		<b>49,18,48,893.00</b>	<b>21,01,18,577.00</b>
Other income	16	24,69,387.00	19,63,319.00
<b>Total Income</b>		<b>49,43,17,280.00</b>	<b>21,20,81,896.00</b>
<b>Expenses</b>			
Cost of material Consumed		-	-
Purchase of stock-in-trade		-	-
Changes in inventories		-	-
Employee benefit expenses	17	2,76,14,872.00	4,20,94,507.00
Finance costs	18	23,38,17,931.00	4,36,23,291.00
Depreciation and amortization expenses	19	1,13,67,578.00	62,66,931.00
Other expenses	20	36,33,72,751.00	9,17,45,898.00
<b>Total expenses</b>		<b>43,61,73,132.00</b>	<b>18,46,30,627.00</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>5,81,44,148.00</b>	<b>2,74,51,269.00</b>
Exceptional items		-	-
<b>Profit before extraordinary and prior period items and tax</b>		<b>5,81,44,148.00</b>	<b>2,74,51,269.00</b>
Extraordinary items	21	(1,78,645.00)	-
Prior period item	22	(29,69,999.00)	-
<b>Profit before tax</b>		<b>5,49,95,504.00</b>	<b>2,74,51,269.00</b>
<b>Tax expenses</b>			
Current tax	23	1,73,13,251.00	71,84,620.00
Deferred tax	24	(55,64,899.00)	18,56,091.00
Excess/short provision relating earlier year tax		-	-
<b>Profit(Loss) for the period</b>		<b>4,32,47,352.00</b>	<b>1,84,10,658.00</b>
<b>Earning per share</b>			
<b>Basic</b>	25		
Before extraordinary items		0.66	0.43
After extraordinary Adjustment		0.65	0.43
<b>Diluted</b>			
Before extraordinary items		0.40	0.22
After extraordinary Adjustment		0.40	0.22

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SURI &amp; SUDHIR

Chartered Accountants

(FIRN: 000601N)



ANUJ ARORA

PARTNER

Membership No.: 504815

Place: NEW DELHI

Date: 17/08/2022

UDIN: 22504815APUHK2833



TUSHAR AGGARWAL

Director

DIN: 01587360



SHRUTIKA AGGARWAL

Director

DIN: 06867269



SONIA THAKUR

Membership No-40393



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**AKARA CAPITAL ADVISORS PRIVATE LIMITED**  
**60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI**  
**CIN : U74110DL2016PTC290970**  
**Ph No : 9643309883**  
**Email : officer@akaracap.com**

(F.Y. 2021-2022)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2022**

In rupees

PARTICULARS		31st March 2022	31st March 2021
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	5,51,74,149.00	2,74,51,169.00
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses:		
	Finance Cost	1,13,67,578.00	62,66,931.00
	Adjustments for unrealised foreign exchange losses / (Gains)	23,38,17,931.00	4,36,23,391.00
	Interest received	29.00	(29.00)
	Other inflows / (Outflows) of cash	(16,74,724.00)	(4,18,796.00)
	<b>Operating profits before Working Capital Changes</b>	45,60,85,300.00	8,18,16,113.00
	<b>Adjusted For:</b>	<b>75,47,70,263.00</b>	<b>15,87,39,279.00</b>
<b>B.</b>	(Increase) / Decrease in trade receivables	(62,32,147.00)	(22,42,36,316.00)
	Increase / (Decrease) in trade payables	(30,78,989.00)	(22,71,34,861.00)
	Increase / (Decrease) in other current liabilities	11,14,83,735.00	(65,93,910.00)
	(Increase) / Decrease in Short Term Loans & Advances	(6,21,73,25,003.00)	6,20,37,843.00
	(Increase) / Decrease in other current assets	(35,46,84,907.00)	(1,91,15,344.00)
	<b>Cash generated from Operations</b>	<b>(3,51,50,67,048.00)</b>	<b>(25,62,63,319.00)</b>
	Income Tax (Paid) / Refund	(71,84,520.00)	(34,07,473.00)
	<b>Net cash flow from operating activities before extraordinary items</b>	<b>(3,52,22,51,568.00)</b>	<b>(25,96,70,742.00)</b>
	Payment for extraordinary items	(1,78,645.00)	-
	<b>Net Cash flow from Operating Activities(A)</b>	<b>(3,52,24,30,213.00)</b>	<b>(25,96,70,742.00)</b>
<b>C.</b>	<b>Cash Flow From Investing Activities</b>		
	Proceeds from sales of tangible assets	-	25,70,095.00
	Interest Received	16,74,724.00	4,18,796.00
	Purchase of intangible assets	(3,49,88,756.00)	(3,20,87,417.00)
	Cash advances and loans made to other parties	(10,63,70,972.00)	-
	Other Inflow / (Outflows) of cash	(2,73,42,088.00)	-
	<b>Net Cash used in Investing Activities(B)</b>	<b>(16,68,87,082.00)</b>	<b>(2,90,98,526.00)</b>
	<b>Cash Flow From Financing Activities</b>		
	Finance Cost		
	Increase in / (Repayment) of Short term Borrowings	(23,38,17,931.00)	(4,36,23,391.00)
<b>D.</b>	Increase in / (Repayment) of Long term borrowings	1,38,06,77,369.00	1,74,87,423.00
	Increase / (Decrease) in share capital	1,52,42,29,031.00	9,60,51,123.00
	Increase / (Decrease) in share application money pending allotment	1,52,12,14,160.00	26,76,14,410.00
	<b>Net Cash used in Financing Activities(C)</b>	<b>(72,750.00)</b>	<b>72,750.00</b>
		<b>4,19,27,29,879.00</b>	<b>33,76,02,415.00</b>
	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>50,29,12,574.00</b>	<b>4,88,33,147.00</b>
	Cash & Cash Equivalents at Beginning of period	6,28,83,246.00	1,40,50,099.00
	Cash & Cash Equivalents at End of period	56,57,95,820.00	6,28,83,246.00
	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(F-E)</b>	<b>50,29,12,574.00</b>	<b>4,88,33,147.00</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SURI &amp; SUDHIR

Chartered Accountants

(FIRN: 000501N)

*(Signature)*  
**New Delhi**  
 Chartered Accountants

ANUJ ABORA

PARTNER

Membership No.: 504815

Place: NEW DELHI

Date: 17/08/2022

UDIN: 22504815APUJHC2803

*(Signature)*  
**TUSHAR AGGARWAL**  
 Director  
 DIN: 01587360

*(Signature)*  
**SHREJTI AGGARWAL**  
 Director  
 DIN: 06867259

*(Signature)*  
**SONIA THAKUR**  
 Membership No-40393

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AKARA CAPITAL ADVISORS PRIVATE LIMITED  
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(F.Y. 2021-2022)

Notes to Financial statements for the year ended 31st March 2022

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

## Note No. 1 Share Capital

Particulars	As at 31st March 2022	As at 31st March 2021
Authorised : 4000000000 (31/03/2022); 1000000000 (31/03/2021) Equity shares of Rs. 10.00/- par value	4,00,00,00,000.00	1,00,00,00,000.00
Issued : 211190519 (31/03/2022); 59069103 (31/03/2021) Equity shares of Rs. 10.00/- par value	2,11,19,05,190.00	59,06,91,030.00
Subscribed and paid-up : 211190519 (31/03/2022); 59069103 (31-03-2021) Equity shares of Rs. 10.00/- par value	2,11,19,05,190.00	59,06,91,030.00
Total	2,11,19,05,190.00	59,06,91,030.00

## Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares	In rupees		
	As at 31st March 2022	As at 31st March 2021	
	No. of Shares	Amount	No. of Shares
At the beginning of the period	5,90,69,103	59,06,91,030.00	32,30,76,620.00
Issued during the Period			
Right Issue	15,21,21,416	1,52,12,14,160.00	
Redeemed or bought back during the period			
Outstanding at end of the period	21,11,90,519	2,11,19,05,190.00	5,90,69,103
			59,06,91,030.00

## Right, Preferences and Restriction attached to shares

## Equity shares

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

## Shares held by Holding/Ultimate holding company and/or their subsidiaries/associates

Note: Monus Technologies Pte Limited having its registered premises in Singapore is the Holding Company of Akara Capital Advisors Private Limited.

## Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2022			As at 31st March 2021		
		No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity (RV: 10.00)	Monus Technologies Pte Limited	21,11,90,419	99.99	5,90,69,003	99.99		
	Total :	21,11,90,419	100.00	5,90,69,003	100.00		

Note: During the year, there has been a change in shareholding of the company by virtue of right issue. However the shareholding pattern remains the same.

## Details of shares held by Promoters

Current Year				Previous Year			
Promoter name	Particulars	Shares at beginning	Shares at end	Shares at beginning	Shares at end	% Change	% Change
		Number	%	Number	%	Number	%
SHRUTI AGGARWAL	Equity (RV: 10.00)	100	0.00	100	0.00	100	0.00
Monus Technologies Pte Limited	Equity (RV: 10.00)	59069003	100.00	32307562	54.69	59069003	100.00
							45.31





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(F.Y. 2021-2022)

## Note No. 2 Reserves and surplus

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Surplus</b>		
Opening Balance	2,05,20,697.59	76,00,293.59
Add: Profit for the year	4,32,47,152.00	1,84,10,658.00
Less: Transfer to Special Reserve	(1,09,99,100.00)	(54,90,254.00)
Closing Balance	5,27,68,749.59	2,05,20,697.59
<b>Securities premium</b>		
Opening Balance	14,72,07,335.00	6,69,23,012.00
Add: Addition during the year	45,63,64,248.00	8,02,84,323.00
Less: Deletion during the year	-	-
Closing Balance	60,35,71,583.00	14,72,07,335.00
<b>Reserves w/s 431(C)</b>		
Opening Balance	85,73,016.41	30,82,762.41
Add: Addition during the year	1,09,99,100.00	54,90,254.00
Less: Deletion during the year	-	-
Closing Balance	1,95,72,116.41	85,73,016.41
Balance carried to balance sheet	67,59,12,449.00	17,63,01,049.00

## Note No. 3 Long-term borrowings

Note No. 3 Long-term borrowings

in rupees

As at 31st March 2021

As at 31st March 2022

Particulars

Non-Current

Current Maturities

Total

Non-Current

Current Maturities

Total

Bonds/debentures						
Non Convertible Debentures Unlisted secured	52,00,00,000.00	8,00,00,000.00	60,00,00,000.00	-	-	-
Term loan - from banks						
Term loan from Banks secured	-	2,49,29,998.00	2,49,99,998.00	-	7,50,00,000.00	7,50,00,000.00
Term loan - from Others						
Term loan from Others secured	-	2,49,29,998.00	2,49,99,998.00	-	7,50,00,000.00	7,50,00,000.00
Loans and advances from related parties						
Inter corporate borrowings unsecured	1,13,20,41,813.00	1,62,43,34,864.00	2,75,71,66,667.00	20,87,12,782.00	17,68,60,062.00	38,47,72,844.00
	1,13,20,41,813.00	1,62,43,34,864.00	2,75,71,66,667.00	20,87,12,782.00	17,68,60,062.00	38,47,72,844.00
	-	-	-	-	1,74,87,421.00	1,74,87,421.00
	-	-	-	-	1,74,87,421.00	1,74,87,421.00
The Above Amount Includes						
Secured Borrowings	1,65,20,41,813.00	1,72,92,34,852.00	3,38,21,66,665.00	20,87,12,782.00	25,10,00,062.00	45,97,72,844.00
Unsecured Borrowings	-	-	-	-	1,74,87,421.00	1,74,87,421.00
Amount Disclosed Under the Head "Other Current Liabilities" (Note No 8 i)		(1,72,92,34,852.00)	(1,71,82,34,852.00)		(25,85,47,483.00)	(26,85,47,483.00)
Net Amount	1,65,20,41,813.00	0	1,65,20,41,813.00	20,87,12,782.00	0	20,87,12,782.00

## Note No. 4 Deferred Tax

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred tax liability	-	-
Deferred Tax Liability	-	14,13,347.00
Gross deferred tax liability	-	14,13,347.00
Deferred tax assets	41,51,552.00	-
Deferred Tax Assets	41,51,552.00	-
Gross deferred tax asset	41,51,552.00	-
Net deferred tax assets	41,51,552.00	-
Net deferred tax liability	-	-







(F.Y. 2021-2022)

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Email : [cofficer@akaracap.com](mailto:cofficer@akaracap.com)

Note No. 9 Property, Plant and Equipment and Intangible assets as at 31st March 2022

Assets	Useful Life (in years)	Balance as at 1st April 2021	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2022	Accumulated Depreciation/ Amortisation	Deletion/ adjustments during the year	Balance as at 31st March 2022	Balance as at 31st March 2022	Balance as at 31st March 2021
A Tangible assets	Own Assets										
	CPU	3.00	11,547.00	-	-	11,547.00	10,970.00	-	10,970.00	577.00	577.00
	Printer GSM Gateway	3.00	1,64,210.00	-	-	1,64,210.00	1,67,633.00	7,368.00	1,75,001.00	9,209.00	16,577.00
	Computer	3.00	14,337.00	-	-	14,337.00	13,810.00	-	13,810.00	727.00	727.00
	Office Equipments	5.00	42,353.00	-	-	42,353.00	40,235.00	-	40,235.00	2,118.00	2,118.00
Total (A)			2,52,647.00	-	-	2,52,647.00	2,52,648.00	-	2,52,648.00	19,999.00	19,999.00
P.Y Total			2,52,647.00	-	-	2,52,647.00	66,827.00	-	2,32,648.00	19,999.00	86,826.00
B Intangible assets	Intangible assets										
	Total (B)		4,72,96,505.00	-	-	4,72,96,505.00	1,13,60,210.00	-	1,98,31,692.00	5,89,54,693.00	3,88,25,023.00
	P.Y Total		4,72,96,505.00	-	-	4,72,96,505.00	1,13,60,210.00	-	1,98,31,692.00	5,89,54,693.00	3,88,25,023.00
	Capital work in progress										
	Total (C)		34,98,876.00	-	-	34,98,876.00	-	-	-	34,98,876.00	-
P.Y Total			25,70,095.00	-	-	25,70,095.00	-	-	-	-	25,70,095.00
Current Year Total (A + B)			4,75,49,152.00	-	-	4,75,49,152.00	1,13,67,578.00	-	2,00,71,708.00	6,24,66,209.00	1,88,45,022.00
Previous Year Total			3,20,87,417.00	-	-	25,70,095.00	24,37,199.00	-	87,04,130.00	3,88,45,022.00	1,55,94,631.00

General Notes :

- No depreciation if remaining useful life is negative or zero.
- Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.
- If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.



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(F.Y. 2021-2022)

Note No. 10 Loans and advances

Particulars	As at 31st March 2022		As at 31st March 2021	
	Long-term	Short-term	Long-term	Short-term
Capital Advances				
Secured, considered good	10,63,30,972.00	-	-	-
	10,63,30,972.00	-	-	-
Other loans and advances				
Unsecured, considered good(Head)	-	5,13,57,56,445.00	-	91,84,31,442.00
	-	5,13,57,56,445.00	-	91,84,31,442.00
Total	10,63,30,972.00	5,13,57,56,445.00	-	91,84,31,442.00

in rupees

**Standard Asset:** Asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to a business. Loans & advances without any specific stipulation for immediate repayment shall become due upon mutually agreed correspondence for repayment.

**Sub Standard Asset:** Asset in respect of which repayment is due for a period greater than 180 days and it remain due for a period up to 365 days.

#### Provision for Portfolio

Provisions for Loan Portfolio are made as per the Prudential Master Circular- Introduction of New Category of NBFCs - 'Non-banking Financial Company/Non-Systemically Important Non-deposit Taking Company Reserve Bank Directions' 2016 vide RBI/DNBS/2016-17/44 Master Direction DNBS/PD.002/03.10.119/2016-17 updated as on July 22, 2022.

The Amount of provision accounted in books is computed as follows:-

Type of asset	DPD	Loan Book as on Mar22	Provision	Provision	Opening balance	Provision To be Created
Standard Asset	0-180	5,13,57,56,444	0.25%	1,28,39,391	22,96,078.61	1,05,43,313
Sub- Standard	181-546	-	10%	-	-	-
Sub- Standard	546-913	-	20%	-	-	-
Doubtful Asset 1	913-1276	-	30%	-	-	-
Doubtful Asset 2	1276-1641	-	50%	-	-	-
Doubtful Asset 3	1276-1641	-	50%	-	-	-
Total loan book outstanding		5,13,57,56,444		1,28,39,391	22,96,079	1,05,43,313

Note No. 10(a) Loans and advances : Other loans and advances: Unsecured, considered good(Head)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Long-term	Short-term	Long-term	Short-term
Loan Portfolio	-	5,13,57,56,445.00	-	91,84,31,442.00
Total	-	5,13,57,56,445.00	-	91,84,31,442.00

in rupees



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(F.Y. 2021-2022)

Loans and Advances from Directors/Promoters

Details of Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand.

[Without specifying any terms or period of repayment]

Type of Borrower	Current Year		Previous Year	
	Amount	Percentage	Amount	Percentage
Total	0		0	

Note No. 11 Other non-current assets

Particulars	As at 31st March 2022		As at 31st March 2021	
Non-Current Bank Balance (Note No. 13)		2,72,42,088.00		-
Other Assets				
Total		2,72,42,088.00		-

Note No. 12 Trade receivables  
(Current Year)

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables (considered good)	23,04,48,463.00	-	-	-	-	23,04,48,463.00
(ii) Undisputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	9,50,715.00	-	-	-	9,50,715.00

Note No. 12 Trade receivables  
(Previous Year)

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables (considered good)	21,03,16,514.00	-	-	-	-	21,03,16,514.00
(ii) Undisputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	9,50,715.00	-	-	-	9,50,715.00

₹ in rupees

Particulars	As at 31st March 2022		As at 31st March 2021	
Secured, Considered good		-		-
Unsecured, Considered Good		23,04,48,463.00		21,03,16,514.00
Doubtful		9,50,715.00		9,50,715.00
Total		23,13,99,178.00		21,12,67,229.00

Note No. 13 Cash and cash equivalents

Particulars	As at 31st March 2022		As at 31st March 2021	
Balance with banks				
Escrow A/C		7,96,59,363.00		6,55,00,297.00
Balance with Banks		46,41,25,778.00		1,83,52,949.00
Total		54,37,85,141.00		6,28,53,246.00
Cash in hand				
Cash in hand		30,000.00		30,000.00
Total		30,000.00		30,000.00
Other				
Fixed Deposits		2,19,80,679.00		-
Total		2,19,80,679.00		-
Total		56,57,95,820.00		6,28,83,246.00



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(F.Y. 2021-2022)

## Note No. 14 Other current assets

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Other Assets</b>		
Prepaid Expenses	1,42,66,925.00	57,969.00
GST Input	4,70,46,666.00	3,27,55,204.00
Accrued interest on loan	2,87,09,874.00	2,03,36,587.00
Advance to Suppliers	86,58,521.00	1,200.00
Other Receivables	13,21,21,243.00	1,43,50,241.00
TDS Unconsumed	-	8,51,479.00
TDS Receivable	1,65,671.00	37,759.00
Ex Gratia Receivable	-	78,93,585.00
<b>Total</b>	<b>23,09,68,902.00</b>	<b>7,62,84,024.00</b>

## Note No. 15 Revenue from operations

Particulars	31st March 2022	31st March 2021
<b>Interest Income from operations</b>	<b>48,66,31,556.00</b>	<b>20,26,88,954.00</b>
Other financial services		
Bad Debts Recovered	48,39,188.00	73,82,505.00
Bounce Charges	27,966.00	47,118.00
Other Fee	3,50,183.00	-
	<b>52,17,337.00</b>	<b>74,29,623.00</b>
<b>Net revenue from operations</b>	<b>49,18,48,893.00</b>	<b>21,01,18,577.00</b>

## Note No. 16 Other Income

Particulars	31st March 2022	31st March 2021
<b>Interest Income</b>		
Interest on Fixed Deposits	15,67,298.00	4,18,796.00
Interest on Cash Margin to Lender	1,07,426.00	-
	<b>16,74,724.00</b>	<b>4,18,796.00</b>
<b>Other non-operating Income</b>		
Foreign exchange Fluctuation	-	20.00
Balance Written off	5,49,811.00	6,13,920.00
Excess Provision Reversal	2,43,852.00	9,30,574.00
	<b>7,93,663.00</b>	<b>15,44,523.00</b>
<b>Total</b>	<b>24,68,387.00</b>	<b>19,63,319.00</b>

## Note No. 17 Employee benefit expenses

Particulars	31st March 2022	31st March 2021
<b>Salaries and wages</b>		
Salary and wages	3,20,08,091.00	4,77,45,856.00
Leave encashment	5,37,598.00	21,58,086.00
Director Remuneration	47,37,384.00	1,32,21,700.00
	<b>2,72,78,033.00</b>	<b>4,26,05,142.00</b>
<b>Contribution to provident and other fund</b>		
Employer Contribution ESI	14,479.00	26,771.00
Employer Contribution PF	3,36,000.00	3,36,660.00
	<b>3,30,479.00</b>	<b>3,53,431.00</b>
<b>Staff welfare Expenses</b>		
Staff Welfare Expenses	6,360.00	35,934.00
	<b>6,360.00</b>	<b>35,934.00</b>
<b>Total</b>	<b>2,76,14,872.00</b>	<b>4,29,94,507.00</b>



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AKARA CAPITAL ADVISORS PRIVATE LIMITED  
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI  
CIN : U74110DL2016PTC290970  
Ph No : 9643309883  
Email : officer@akaracap.com

(F.Y. 2021-2022)

## Note No. 18 Finance costs

Particulars	31st March 2022	31st March 2021
Interest		
Interest on long-term loans from banks and Others.	16,70,21,718.00	4,29,74,512.00
Interest on Debt Securities	40,95,890.00	-
	<b>17,11,17,608.00</b>	<b>4,29,74,512.00</b>
Other Borrowing costs		
Other Borrowing Expenses	6,27,00,323.00	6,48,779.00
	<b>6,27,00,323.00</b>	<b>6,48,779.00</b>
<b>Total</b>	<b>23,38,17,931.00</b>	<b>4,36,23,291.00</b>

## Note No. 19 Depreciation and amortisation expenses

Particulars	31st March 2022	31st March 2021
Depreciation on tangible assets	7,368.00	66,827.00
Amortisation on intangible assets	1,13,60,210.00	62,00,104.00
<b>Total</b>	<b>1,13,67,578.00</b>	<b>62,66,931.00</b>

## Note No. 20 Other expenses

Particulars	31st March 2022	31st March 2021
Audit fees	7,00,000.00	4,15,000.00
Other consultancy fees	3,78,000.00	50,000.00
Bank charges	37,83,418.00	24,08,141.00
ROC Fees	35,09,860.00	5,37,200.00
Professional fees	1,48,65,606.00	1,76,43,833.00
Credit Rating expenses	1,73,18,354.00	1,39,35,644.00
NPA Provision	1,05,43,312.00	-
Bank Statement Analysis Expenses	97,18,312.00	24,37,534.00
Advertisement and Business Promotion Expenses	23,853.00	1,50,046.00
Commission	5,11,72,963.00	2,59,84,327.00
Directors sitting fees	15,000.00	4,96,875.00
Printing and stationery	15,000.00	38,125.00
Interest and Penalties on Statutory Payments	94,681.00	4,04,012.00
Provision For Gratuity	-	14,75,795.00
Maropower Expenses	70,26,253.00	2,00,000.00
Travel and boarding and Lodging Expenses	6,16,404.00	92,089.00
Marketing expenses	88,13,569.00	2,64,453.00
Annual fees	92,000.00	11,781.00
GST 50% Credit (expense)	1,55,08,967.00	79,91,512.00
Technologies Expenses	13,500.00	23,899.00
Bad debts- Less than Rs 1,00,000	-	20,00,870.00
Office Expenses	96,286.00	19,300.00
Collection and Recovery Expenses	71,38,175.00	1,19,93,206.00
Physical and Title Verification Expenses	10,97,182.00	4,64,647.00
Legal expenses	52,35,864.00	5,55,310.00
Insurance expenses	42,797.00	42,799.00
Rent and Infra Sharing Expenses	40,67,500.00	20,29,500.00
Forex Loss	945.00	-
<b>Total</b>	<b>16,33,72,751.00</b>	<b>9,17,65,898.00</b>

## Note No. 21 Extraordinary Items

Particulars	31st March 2022	31st March 2021
other extraordinary expenses	(1,78,645.00)	-
<b>Total</b>	<b>(1,78,645.00)</b>	<b>-</b>

## Note No. 21(a) Extraordinary items: other extraordinary expenses

Particulars	31st March 2022	31st March 2021
Interest on MSME Creditors	-	1,78,645.00
<b>Total</b>	<b>-</b>	<b>1,78,645.00</b>



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**Note No. 22 Prior period item**

Particulars	31st March 2022	31st March 2021
Impact of Change in Accounting policy	(39,69,999.00)	-
<b>Total</b>	<b>(29,69,999.00)</b>	<b>-</b>

**Note No. 23 Current tax**

Particulars	31st March 2022	31st March 2021
Current tax pertaining to current year	1,73,13,251.00	71,84,520.00
<b>Total</b>	<b>1,73,13,251.00</b>	<b>71,84,520.00</b>

**Note No. 24 Deferred tax**

Particulars	31st March 2022	31st March 2021
Deferred Tax Asset	(41,51,552.00)	4,42,745.00
Deferred Tax Liability	(14,13,347.00)	14,13,346.00
<b>Total</b>	<b>(55,64,899.00)</b>	<b>18,56,091.00</b>

**Note No. 25 Earning Per Share**

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
<b>Basic</b>				
Profit after tax (A)	4,34,25,797.00	1,84,10,658.00	4,32,47,152.00	1,84,10,658.00
Weighted average number of shares outstanding (B)	6,61,70,826	4,27,99,076	6,61,70,826	4,27,99,076
Basic EPS (A / B)	0.66	0.43	0.65	0.43
<b>Diluted</b>				
Profit after tax (A)	4,34,25,797.00	1,84,10,658.00	4,32,47,152.00	1,84,10,658.00
Weighted average number of shares outstanding	6,61,70,826	4,27,99,076	6,61,70,826	4,27,99,076
<b>Adjustments:</b>				
Others	4,27,99,076	4,27,99,076	4,27,99,076	4,27,99,076
Weighted average number of shares outstanding for diluted EPS after above adjustments (B)	10,89,69,902	8,55,98,152	10,89,69,902	8,55,98,152
Diluted EPS (A / B)	0.40	0.22	0.40	0.22
Face value per share	10.00	10.00	10.00	10.00

**Note No. 26 Additional Regulatory Information**

**I. Title Deeds of Immovable Property not held in the name of the Company**

The company does not possess any immovable property in the books.

**II. Revaluation of Property, Plant and Equipment and Right-of-Use Assets**

The company does not possess any Property, Plant and Equipment in the books.

**III. Loans or Advances in the nature of Loans to specified persons (promoters, directors, KMPs, related parties) that are:**

- Repayable on Demand or
- Without specifying any terms or period of repayment

S.No.	Type of Borrower	As at March 31, 2022	As at March 31, 2021
		Amount of loans or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
1.	Promoters	-	-
2.	Directors	-	-
3.	Key Management Personnel	-	-
4.	Related parties	-	-

There are no Loans or Advances which are granted to specified persons during the previous financial year.



## IV. Capital Work-In-Progress (CWIP)

The company possess capital work in progress amounting to Rs 34,98,876.00

## V. Intangible Assets under Development

The company does not possess any Intangible assets under development.

## VI. Details of Benami Properties held

No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

## VII. Borrowings secured against Current Assets

The Company has availed borrowings from Banks and Financial Institutions on the basis of security of current assets (Book Debts)

## VIII. Willful Defaulter

The Company has timely repaid the Installments due from Banks and Financial Institutions.

## IX. Relationship with Struck off Companies

The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

## X. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period.

## XI. Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.

## XII. The following Ratios to be disclosed:

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	3.21	3.86	-16.84	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.28	0.70	81.99	
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortisation	Total principal + interest on Borrowings	0.15	0.26	-10.63	
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average shareholders' Equity	0.02	0.03	-33.33	
(e) Inventory turnover ratio	Turnover <sub>2021</sub>	Average Inventory	0.00	0.00	0.00	
(f) Trade Receivables turnover ratio	Net Credit Sales <sub>2021</sub>	Average Trade Receivable	0.00	0.00	0.00	
(g) Trade payables turnover ratio	Net Credit Purchases <sub>2021</sub>	Average Trade Payable	0.00	0.00	0.00	
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.11	0.22	-50.00	
(i) Net profit ratio	Net Profit	Net Sales	0.09	0.09	0.00	
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	0.05	0.07	-28.57	
(k) Return on Investment	Net Return on Investment	Cost of Investment	0.03	0.00	100.00	

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AKARA CAPITAL ADVISORS PRIVATE LIMITED  
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CIN : U74110DL2016PTC290970  
Ph No : 9643309883  
Email : [cofficer@akaracap.com](mailto:cofficer@akaracap.com)

(F.Y. 2021-2022)

Note-1 The Company is engaged in service sector hence do not possess any inventory and this ratio is not being computed.

Note-2 The Company has not incurred credit sales or credit purchases during FY 21-22 and FY 20-21, hence this ratio is not being computed.

XIII.

Compliance with approved Schemes of Arrangements

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

XIV.

Utilisation of Borrowed funds and Share Premium

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

XV.

Corporate Social Responsibility (CSR)-Not Applicable

XVI.

Details of Crypto Currency or Virtual Currency Not Applicable

XVII.

Previous year figures have been regrouped/rearranged whenever necessary.



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**Notes to financial statements for the year ended March 31, 2022****Note no. 27****1. COMPANY BACKGROUND**

**M/s Akara Capital Advisors Private Limited** was incorporated on 11-02-2016 under the Companies Act 2013. The company was registered as a Non-Deposit taking Non-Banking Financial Company under section 45IA of the Reserve Bank of India (RBI) Act 1934.

The Authorized Share Capital of the company is Rs. 4,00,00,00,000.00 divided into 40,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per shares at all times. The Subscribed Share Capital of the company is Rs. 2,11,19,05,190.00 divided into 2,11,19,05,19 ordinary equity shares of Rs. 10/- carrying one voting rights per shares at all times.

The company is a wholly owned subsidiary of Morus Technologies Pte Ltd having a shareholding of Rs.2,11,19,04,190.00 in the entire share capital of Akara Capital Advisors Private Limited.

The Company's registered office is at 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi 110003. In addition, company operates from Khasra no. 337, 1st Floor, CRC-II, M G Road, Sultanpur, Mehrauli, South West Delhi, Delhi, 110030.

**Nature of Operations**

Akara Capital Advisors Private Limited. ("The Company") is primarily engaged in business of lending activities for providing loans.

**2. SIGNIFICANT ACCOUNTING POLICIES****A. Basis of Preparation of Financial Statements**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and the provisions of the Reserve Bank of India as applicable to a non-banking financial company. Financial Statements have been prepared under the historical cost convention on an accrual basis of accounting.

**B. Use of Estimates**

The preparation of financial statements, in accordance with the Generally Accepted Accounting Principles, require the management to make estimates and assumptions that effect the reported amounts of assets and liabilities,





**Notes to financial statements for the year ended March 31, 2022**

disclosure of contingent liabilities at the date of financial statements, reported amount of expenses and revenues of the year and the amortized amount of preliminary expenditure of the year. Estimates and underlining assumptions are reviewed on ongoing basis. Actual results could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future at the date of the financial statements.

**C. Current-Non-Current Classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- i. It is to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is expected to be realized within 12 months after the reporting date; or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets. All other assets are classified as Non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- i. It is expected to be settled in the Company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is due to be settled within 12 months after the reporting date; or
- iv. The company does not have an unconditional right to defer the settlement of liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**Operating Cycle**

Company has ascertained its operating cycle as 12 months that is the time gap between the acquisition of assets for processing and their realization in cash or cash equivalents.

**D. Cash & Cash Equivalents**

Cash & cash equivalents for the purpose of cash flow statement comprises cash in hand, cash in bank, fixed deposits and other short term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.



# Akara Capital Advisors Private Limited

FY 2021-22

## Notes to financial statements for the year ended March 31, 2022

### E. Cash Flow Statement

Cash flow are reported using the indirect method whereby cash flows from operating, investing & financing activities of the company are segregated and profit before tax is adjusted for the effect of transactions of non-cash nature or any deferrals or accruals of past or future cash receipts or payments.

### F. Property, Plant & Equipment

Property, Plant & Equipment comprising both tangible and intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

### G. Depreciation

Depreciation on all fixed assets of the Company is provided on Straight Line Method at the rates specified in schedule II of the Companies Act, 2013.

### H. Borrowing Costs

The Company has incurred borrowing cost during the Financial Year. The Borrowing Cost has been incurred on the loan facility availed from various lenders. The total expense amount incurred on account of interest and other related costs for the period ending 31<sup>st</sup> March 2022 is **Rs. 23,38,17,931.00**.

### I. Impairment of Assets

The Company identifies Impaired assets based on individual assets or cash generating unit concept at the year-end in terms of Para 5.13 of AS-28 issued by the ICAI for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged against revenue of the year.

### J. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

I. Interest income on all loans upto 90 days is recognized under accrual basis. Beyond that or in case of any default on loan repayment interest income is recognized only when realized.

II. Processing fees on loans are recognized on upfront basis in the books of IT Service Provider as platform fees. (The IT Service Company provides a customer interface with Akara Capital Advisors Private Limited).



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**Notes to financial statements for the year ended March 31, 2022**

- III. In the cases the loans falls due over 150 days, the principal outstanding and interest received as and when are transferred to the books of IT service provider.
- IV. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.
- V. Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rates.
- VI. Dividend income is accounted when the right to receive dividend is established

All other income is recognized on an accrual basis.

The company has reported accrued interest income on loans amounting to **Rs. 3,08,10,646.85**. The Revenue is recognized for Interest Accrued but not received on Standard Asset upto 90 days till the period ended 31<sup>st</sup> March 2022.

With effect from 01<sup>st</sup> April 2021 there has been a change in accounting policy in recognition of income on loan cases exceeding 90 dpd where the collections made on such cases are first settled against principal outstanding and if any excess collection over principal outstanding will be allocated over interest income or other charges (if any) Due to this there is a de-recognition of interest income for FY 20-21 recorded in prior period items in Financial Statements under note no 21 amounting to Rs 29,69,999.00

**K. Classification of Loan Portfolio and provisioning policy**

Loan portfolio is classified and provision is made in accordance with the Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Directions, 2015 issued by Reserve Bank of India as mentioned below-

The Loan Portfolio maintained in the books is inclusive of amount yet to be disbursed shown in current liabilities.

**Asset Classification**

The Company after taking into account the degree of defined credit weaknesses and extent of dependence on collateral security for realization, classify its loans and advances and any other forms of credit into the following classes, namely:

- (i) Standard assets;
- (ii) Sub-standard assets;
- (iii) Doubtful assets; and
- (iv) Loss assets.



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## Notes to financial statements for the year ended March 31, 2022

**Standard Asset:** Standard asset shall mean the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem or carry more than normal risk attached to the business

**Sub-standard asset:** Sub-standard asset shall mean an asset which has been classified as non-performing asset for a period not exceeding 18 months;

**Doubtful asset:** Doubtful Asset shall mean: a term loan, or a lease asset, a hire purchase asset, or any other asset, which remains a sub-standard asset for a period exceeding 18 months

**Loss Asset:** Loss Asset shall mean:

- (a) An asset which has been identified as loss asset by the company or its internal or external auditor or by the Reserve Bank during the inspection of the applicable NBFC, to the extent it is not written off by the company ; and
- (b) An asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower

**Non-Performing Asset:**

- (a) An asset, in respect of which, interest has remained overdue for a period of six months or more;
- (b) A term loan inclusive of unpaid interest, when the installment is overdue for a period of six months or more or on which interest amount remained overdue for a period of six months or more;
- (c) A demand or call loan, which remained overdue for a period of six months or more from the date of demand or call or on which interest amount remained overdue for a period of six months or more;
- (d) A bill which remains overdue for a period of six months or more;
- (e) The interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans / advances, which facility remained overdue for a period of six months or more;
- (f) Any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of six months or more;
- (g) The lease rental and hire purchase installment, which has become overdue for a period of twelve months or more;
- (h) In respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower / beneficiary when any of the above credit facilities becomes non-performing asset :

**(II) Provisioning Policy for Portfolio Loans & Advances**

The company has reached to a loan portfolio of Rs 513.57 CR as on 31st March 2022 making it a systemically Important NBFC.



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## Notes to financial statements for the year ended March 31, 2022

**Provision for Portfolio**

Provisions for non-performing assets are made as per the Prudential Master Circular- Introduction of New Category of NBFCs - 'Non-Banking Financial Company Systemically Important Non-Deposit Taking Company Reserve Bank Directions' 2016 vide RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 updated as on July 22, 2022.

The aggregate loan provision of the company shall be

- i) 0.25% of the Loan Portfolio Outstanding
- ii) 10% of the loan portfolio outstanding in case of sub-standard assets
- iii) 100% in case of Doubtful and Unsecured Assets
- iv) In case of Doubtful and Secured Assets
  - a) Upto One Year 20%
  - b) One to Three year 30%
  - c) More than Three year 50%
  - v) 100% in case of Loss assets

The Amount of provision accounted in books is computed as follows:-

Type of asset	Days Past Due	Loan Book	Provision (%)	Total Provision	Provision (Opening Balance)	Provision to be created/ (reversed)
Standard Asset	0-180	5,13,57,56,445.00	0.25%	1,28,39,391.00	22,96,079.00	1,05,43,312.00
Sub- Standard	181-546	-	10%	-	-	-
Doubtful Asset 1	546-911	-	20%	-	-	-
Doubtful Asset 2	911-1276	-	30%	-	-	-
Doubtful Asset 3	1276-1641	-	50%	-	-	-
<b>Total loan book outstanding as on 31.03.2022</b>		<b>5,13,57,56,445.00</b>		<b>1,28,39,391.00</b>	<b>22,96,079.00</b>	<b>1,05,43,312.00</b>

The NPA Provision has been created during the year amounting to Rs 1,05,43,312.00.

The Company has not reported any Bad Debts during the year.

Bad Debts amounting to Rs.48,39,188 have also been recovered during the year

**L. Expenditure**

The provision is made for all the known losses and liabilities.

**M. Income Taxes**

- i) Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantively enacted tax rates.



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## Notes to financial statements for the year ended March 31, 2022

- ii) Deferred Tax Assets (DTA) are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realised. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.
- iii) Current tax is the amount of tax payable on the taxable income including interest for the year as determined in accordance with the provisions of Income Tax Act, 1961. The Company has not made any provision for Income Tax of in the books.

**N. Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**O. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit / loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later time.

**Computation of Earnings Per Share**

Particulars	For the year ended 31 March 2022 (Before Extra-Ordinary Items)	For the year ended 31 March 2022 (After Extra-Ordinary Items)	For the year ended 31 March 2021 (before/after Extraordinary Items)
(A) Profit after taxation (Rs.)	4,34,25,797.00	4,32,47,152.00	1,84,10,658.00
(B) Weighted average number of equity shares (No's)	6,61,70,826	6,61,70,826	4,27,99,076
(C) Earnings per share (in Rs.): [(A)/(B)]	0.66	0.65	0.43





## Notes to financial statements for the year ended March 31, 2022

## 3. Notes on Financial Statements

- i. Based on the information available, as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006, are given below as per books of accounts:

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount and Interest due thereon remaining unpaid to any supplier as on	75,83,926.23	-
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of interest accrued and remaining unpaid during the accounting year.	1,78,645.00	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

- ii. Balance reconciliations of Escrow Accounts are subject to management confirmation.
- iii. The balances receivables and payables are subject to confirmation and reconciliation. Pending such confirmation and reconciliation, the impact on accounts is not ascertainable at this stage.
- iv. The company is a Small and Medium sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to Small & Medium Sized Company. Segment Reporting as per AS 17 is not mandatory for the Company being an SMC company.
- v. To provide additional relief, the Government of India announced ex-gratia payment to lenders for waiving off compound interest for loans up to 2 crore for some category of borrowers. The Honourable Supreme Court had



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## Notes to financial statements for the year ended March 31, 2022

directed all banks and financial institutions to refund compound interest, interest on interest or penal interest collected during the moratorium period irrespective of the loan amount and category of borrowers. The Supreme Court also lifted the ban it had imposed on declaring accounts of borrowers as non-performing assets. The company had filed a claim for the Ex Gratia under the scheme for Rs 78,93,585.00. Out of the total amount claimed as refund from Government, The Company has refunded an amount of Rs 3,08,054.26 to the authorities in FY 2021-22 on account of non-identification of specified customers.

VII. There was an employee dispute filed against the company and its directors in October 21, due to which the company paid Rs 1,00,000 for its settlement during the previous year.

VIII. During the previous year the company has securitized its book debts for asset reconstruction. The details of the transaction are here under:-

Particulars		FY 21-22	FY 20-21
1. No. of accounts		7886	-
2. Aggregate value (net of provisions) of accounts sold to SC/RC		10,47,28,175.00	-
3. Aggregate consideration		9,73,97,203.00	-
4. Additional consideration realized in respect of accounts transferred in earlier years		-	-
5. Aggregate gain / loss over net book value		-*	-

\*The differential amount of Rs 73,30,972 is kept as collateral with the SC/RC

## VIII. Retirement Benefits:-

The gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the payment of Gratuity Act. The liability with regard to gratuity and compensated absences is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. The Gratuity Valuation is done both on Short Term Gratuity payable and Long Term Gratuity Payable and provided in the books on accrual basis as per AS-15(revised 2005) issued by The Institute of Chartered Accountants of India.

## 1: Table Showing Changes in Present Value of Obligations:

Period	From: 01-04-2021 To: 31-03-2022	From: 01-04-2020 To: 31-03-2021
Present value of the obligation at the beginning of the period	18,96,946.00	4,21,151.00
Interest cost	1,37,529.00	29,481.00
Current service cost	5,77,305.00	5,97,421.00
Past Service Cost	0.00	0.00
Benefits paid (if any)	0.00	0.00
Actuarial (gain)/loss	(9,58,686.00)	8,48,893.00
Present value of the obligation at the end of the period	16,53,094.00	18,96,946.00

## Notes to financial statements for the year ended March 31, 2022

## 2: Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31-03-2022	As on: 31-03-2021
Present value of the obligation at the end of the period	16,53,094.00	18,96,946
Fair value of plan assets at end of period	0.00	0.00
Net liability/(asset) recognized in Balance Sheet and related analysis	16,53,094.00	18,96,946
Funded Status - Surplus/ (Deficit)	(16,53,094.00)	(18,96,946)

## 3: Expense recognized in the statement of Profit and Loss:

Period	From: 01-04-2021 To: 31-03-2022	From: 01-04-2020 To: 31-03-2021
Interest cost	1,37,529.00	29,481.00
Current service cost	5,77,305.00	5,97,421.00
Past Service Cost	0.00	0.00
Expected return on plan asset	(0.00)	(0.00)
Net actuarial (gain)/loss recognized in the period	(9,58,686.00)	8,48,893.00
Expenses to be recognized in P&L	(2,43,852.00)	14,75,795.00

The Basis of Valuation is as listed below:

## 1: Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 31-03-2022	As on: 31-03-2021
Number of employees	22	33
Total monthly salary	16,21,062.00	18,54,616.00
Average Past Service(Years)	2.4	1.5
Average Future Service (yr.)	25.5	27.4
Average Age(Years)	34.5	32.6
Weighted average duration (based on discounted cash flows) in years	25	22
Average monthly salary	73,685	56,200
Expected Future Service Taking into Account Decrements (Years)	14	

## 2: The assumptions employed for the calculations are tabulated:

Discount rate	7.25 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	0	0
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

## 3: Benefits valued:

Normal Retirement Age	60 Years	60 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr.)	15/26 * Salary * Past Service (yr.)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	2000000.00



# Akara Capital Advisors Private Limited

FY 2021-22

Notes to financial statements for the year ended March 31, 2022

## 4: Current Liability

Period	As on: 31-03-2022	As on: 31-03-2021
Current Liability (Short Term)*	40,191.00	5,095.00
Non-Current Liability (Long Term)	16,12,903.00	18,91,851.00
Total Liability	16,53,094.00	18,96,946.00

## IX. Movement in Deferred tax :

Deferred tax asset/liability has been estimated using the substantively enacted rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year.

Particulars	For the year ended 31.03.2022 (Rs)	For the year ended 31.03.2021 (Rs)
(a) The movement in deferred tax Liability is as follows:		
Opening Balance	14,13,347.00	-
Current Year deferred tax expense	(14,13,347.00)	14,13,347.00
Closing Balance	-	14,13,347.00
(b) The movement in deferred tax Asset is as follows:		
Opening Balance		4,42,745.00
Current Year deferred tax credit	45,08,007	(4,42,745.00)
Closing Balance	45,08,007	-
<b>Net Deferred Tax Asset/Liability as at the year-end 31<sup>st</sup> March 2022.</b>	<b>45,08,007</b>	<b>14,13,347.00</b>

## X. Expenditure in Foreign Currency:

Company has incurred the following expenses in foreign currency

Particulars	For the year ended 31.03.2022 (Rs)	For the year ended 31.03.2021 (Rs)
Expenditure in Foreign Currency	Nil	Nil

## XI. Payments to Auditors: -

Auditors Remuneration	2021-22	2020-21
Audit Fees	7,00,000.00	4,15,000.00
Certification Fees	3,78,000.00	50,000.00
GST	1,94,040.00	73,700.00
<b>Total</b>	<b>12,72,040.00</b>	<b>5,48,700.00</b>



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## Notes to financial statements for the year ended March 31, 2022

## xii. Related Party Disclosure- Accounting Standard 18:

A. Names of the related parties:

Key Management Personnel	<ol style="list-style-type: none"> <li>1. Ms. Shruti Aggarwal, Director.</li> <li>2. Mr. Tushar Aggarwal, Director.</li> <li>3. Mr. Satish Chandra Sinha, Director</li> <li>4. Mr. Radhakrishnan Ramachandra Iyer, Director</li> <li>5. Mr. Vijay Ronjan, Director.</li> <li>6. Ms. Sonia Thakur, Company Secretary</li> <li>7. Mr. Paveet Dhaliya, Company Secretary</li> </ol>
Parties having Significant influence due to Common directorship	<ol style="list-style-type: none"> <li>1. EQX Analytics Private Limited</li> <li>2. Titanium Fortune Financial Services Private Limited</li> <li>3. Stash Payments Private Limited</li> <li>4. Santra Digital Services Private Limited</li> </ol>
Holding Company	<b>Morus Technologies Pte Limited</b> (175A, Bencoolen Street, #07-04 Burlington Square, Singapore - 189650)

B. Related Party transactions:Transactions with Key Management Personnel

Particulars	FY 2021-22	FY 2020-21
(i) Managerial remuneration: Ms. Shruti Aggarwal	Rs 47,37,384.00	Rs 1,32,11,700.00
(ii) Managerial remuneration: Mr. Tushar Aggarwal	-	-
(iii) Managerial remuneration: Mr. Paveet Dhaliya	Rs 2,04,000.00	Rs 2,04,507.00
(iv) Managerial remuneration: Ms. Sonia Thakur	-	-
(v) Managerial remuneration: Mr. Vijay Ronjan	-	-
(vi) Reimbursement of Expenses Ms. Shruti Aggarwal	Rs 13,83,557.24	Rs 4,78,214.00
(vii) Director Sitting Fees Mr. Satish Chandra Sinha	Rs. 7,50,000.00	Rs 4,21,875.00
(viii) Director Sitting Fees Mr. Radhakrishnan Ramachandralyer	Rs. 7,50,000.00	Rs 75,000.00



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# Akara Capital Advisors Private Limited

FY 2021-22

Notes to financial statements for the year ended March 31, 2022

## Balances with parties having significant influence FY 2021-22

(Amount in Rs.)

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	59,06,90,030.00 CR	-	1,52,12,14,160.00	2,11,19,04,190.00 CR
(ii) EQX Analytics Private Limited Reimbursement of Expenses	22,38,37,861.06 DR	4,90,14,05,056.66	4,92,99,34,301.78	19,53,08,615.94 DR
(iii) EQX Analytics Private Limited Amount payable to EQX	1,35,21,347.50 CR	79,89,29,406.50	74,92,35,770.87	3,61,72,288.13 DR
(iv) EQX Analytics Private Limited Repayment of Loan	1,74,87,423.00 CR	2,19,88,972.00	45,01,549.00	-
(v) EQX Analytics Private Limited Infra sharing expenses payable to EQX	-	-	18,16,430.00	18,16,430.00 CR
(vi) Titanium Fortune Financial Services Private Limited Amount Payable to Titanium	-	3,10,00,000.00	3,10,00,000.00	-
(vii) Sontra Digital Services Private Limited	-	-	-	-
(viii) Stash Payments Private Limited	-	-	10,32,441.00	10,32,441.00 CR

## Balances with parties having significant influence FY 2020-21

(Amount in Rs.)

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	32,30,75,620.00 CR	-	26,76,14,410.00	59,06,90,030.00 CR
(ii) EQX Analytics Private Limited Reimbursement of Expenses	4,97,20,854.31 CR	1,06,00,43,102.93	78,64,84,387.56	22,38,37,861.06 DR
(iii) EQX Analytics Private Limited Amount payable to EQX	18,95,52,184.60 CR	41,88,36,139.60	24,28,05,302.50	1,35,21,347.50 CR



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# Akara Capital Advisors Private Limited

FY 2021-22

Notes to financial statements for the year ended March 31, 2022

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(iv) EQX Analytics Private Limited Repayment of Loan	-	3,25,12,577.00	5,00,00,000.00	1,74,87,423.00 CR
(v) EQX Analytics Private Limited Infra sharing expenses payable to EQX	-	-	-	-
(vi) Titanium Fortune Financial Services Private Limited Amount Payable to Titanium	-	26,50,00,000.00	26,50,00,000.00	-
(vii) Santra Digital Services Private Limited	-	-	-	-
(viii) Stash Payments Private Limited	-	-	-	-

## Loans From Key Management Personnel

(Amount in Rs.)

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Shruti Aggarwal Loan From Directors	-	50,58,936.00	50,58,936.00	-
(ii) Shruti Aggarwal Interest on Loan	-	-	58,936.00	-

Note: Related party relationships are identified by the management of the company and relied upon by the auditor.

xiii. The Company has not accepted any public deposit during the financial year and there is **NIL** outstanding as on **31.03.2022**.

xiv. The **Net Owned Fund** of the Company as on **31.03.2022** is Rs. **2,70,73,17,318.00** (Rupees Two Hundred Seventy Crores Seventy Three Lakhs Seventeen Thousand Three Hundred and Eighteen Only).

Net Owned Fund calculated as follows:	Amount (Rs.)
Paid up Equity Share Capital	2,11,19,05,190.00
Add: Reserve & Surplus (excluding revaluation reserves)	67,59,12,449.00
Less: Deferred Tax Asset	(41,51,552.00)
Less: Miscellaneous Expenditure	(1,38,95,200.00)
Less: Intangible Assets	(6,24,53,569.00)
<b>Total Net Owned Fund as on 31.03.2022(a)</b>	<b>2,70,73,17,318.00</b>
<b>Total Number of Outstanding Equity Shares as on 31.03.2022 (b)</b>	<b>21,11,90,519</b>
<b>Book Value Per Equity Share (a/b)</b>	<b>12.81</b>



# Akara Capital Advisors Private Limited

FY 2021-22

## Notes to financial statements for the year ended March 31, 2022

XV. The Total Assets Size and Loan Asset Portfolios of the Company as on 31.03.2022 are Rs. 6,36,41,11,157.00 (Rupees Six Hundred Thirty Six Crores Forty One Lakhs Eleven Thousand One Hundred Fifty Seven only) and Rs. 5,13,57,56,445 /-(Rupees Five Hundred Thirteen Crores Fifty Seven Lakhs Fifty Six Thousand Four Hundred and Forty Five only) respectively.

XVI. The Capital Adequacy Ratio of the company is 43.29% as on 31.03.2022.

### Statement showing calculation of Capital Adequacy Ratio

A	Tier I Capital	2,70,73,17,318.00
B	Tier II Capital	
	Total of Adjusted Assets	2,70,73,17,318.00
C	Risk Weighted Assets	6,25,36,28,634.00
	Capital Adequacy Ratio [(A+B)/C]	43.29%

### Tier I Capital calculated as follows:

	Amount
Paid up Equity Share Capital	2,11,19,05,190.00
Add: Reserve & Surplus (excluding revaluation reserves)	67,59,12,449.00
Less: Deferred Tax Asset	(41,51,552.00)
Less: Miscellaneous Expenditure	(1,38,95,200.00)
Less: Intangible Assets	(6,24,53,569.00)
<b>Total Tier I Capital as on 31.03.2022(A)</b>	<b>2,70,73,17,318.00</b>

### Tier II Capital calculated as follows:

Paid up Preference Share Capital (Optionally Converted)	
Add: General Provisions and Loss Reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth (1.25) percent of risk weighted assets.	
<b>Total Tier II Capital as on 31.03.2022(B)</b>	

### Risk Weighted Assets Calculated as follows:-

Assets	Amount (1)	Risk Weight (2)	Risk Weighted Assets (1*2)
Cash & Bank Balance	59,30,37,908.00	100%	59,30,37,908.00
Deposits other than Lien Marked	0	0%	0
Deposits With Lien Marked	0	100%	0
Loan Portfolio	5,13,57,56,445.00	100%	5,13,57,56,445.00
Fixed Assets	6,24,66,200.80	100%	6,24,66,200.80
Security Deposits	0	100%	0
Advance Tax & MAT	0	100%	0
Staff Advances	0	0%	0
Other Current Assets	46,23,68,080.00	100%	46,23,68,080.00
	<b>Total (C)</b>		<b>Rs 6,25,36,28,634.00</b>





## Notes to financial statements for the year ended March 31, 2022

4. Other Regulatory Information

## I. Title Deeds of Immovable Property not held in the name of the Company

The company does not possess any immovable property in the books.

## II. Revaluation of Property, Plant and Equipment and Right-of-Use Assets

The company does not possess any Property, Plant and Equipment in the books.

## III. Loans or Advances in the nature of Loans to specified persons (promoters, directors, KMPs, related parties) that are:

- Repayable on Demand or
- Without specifying any terms or period of repayment

S.No.	Type of Borrower	As at March 31, 2022		As at March 31, 2021	
		Amount of loans or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loans or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
1.	Promoters	-	-	-	-
2.	Directors	-	-	-	-
3.	Key Management Personnel	-	-	-	-
4.	Related parties	-	-	-	-

There are no Loans or Advances which are granted to specified persons during the previous financial year.

## IV. Capital Work-in-Progress (CWIP)

The company possess capital work in progress amounting to Rs 34,98,876.00

## V. Intangible Assets under Development

The company does not possess any intangible assets under development.

## VI. Details of Benami Properties held

No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

## VII. Borrowings secured against Current Assets

The Company has availed borrowings from Banks and Financial Institutions on the basis of security of current assets (Book Debts).

## VIII. Willful Defaulter

The Company has timely repaid the installments due from Banks and Financial Institutions.



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# Akara Capital Advisors Private Limited

FY 2021-22

## Notes to financial statements for the year ended March 31, 2022

### IX. Relationship with Struck off Companies

The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

### X. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period.

### XI. Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.

### XII. The following Ratios to be disclosed:

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	3.21	3.86	-16.84	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.28	0.70	81.99	
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortization	Total principal + Interest on Borrowings	0.15	0.28	-10.63	
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortization	Average Shareholders' Equity	0.02	0.03	-33.33	
(e) Inventory turnover ratio	Turnover <sup>Note-1</sup>	Average Inventory	0.00	0.00	0.00	
(f) Trade Receivables turnover ratio	Net Credit Sales <sup>Note-2</sup>	Average Trade Receivable	0.00	0.00	0.00	
(g) Trade payables turnover ratio	Net Credit Purchase <sup>Note-2</sup>	Average Trade Payable	0.00	0.00	0.00	
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.11	0.22	-50.00	
(i) Net profit ratio	Net Profit	Net Sales	0.09	0.09	0.00	
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	0.05	0.07	-28.57	
(k) Return on investment	Net Return on Investment	Cost of Investment	0.03	0.00	100.00	

Note-1 The Company is engaged in service sector hence do not possess any inventory and this ratio is not being computed.

Note-2 The Company has not incurred credit sales or credit purchases during FY 21-22 and FY 20-21, hence this ratio is not being computed.

### XIII. Compliance with approved Schemes of Arrangements

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.



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**Notes to financial statements for the year ended March 31, 2022****XIV. Utilisation of Borrowed funds and Share Premium**

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**XV. Corporate Social Responsibility (CSR)- Not Applicable****XVI. Details of Crypto Currency or Virtual Currency-Not Applicable****XVII. Previous year figures have been regrouped/ rearranged wherever necessary.**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For SURI & SUDHIR**

Chartered Accountants

(FRN: 000601N)

For and on behalf of the Board of Directors



**ANUJ ARORA**  
PARTNER

Membership No.: 504815

Place: NEW DELHI

Date: 17-08-2022

UDIN:22504815APUIHK2833



**TUSHAR AGGARWAL**

Director

DIN: 01587360



**SHRUTI AGGARWAL**

Director

DIN: 06867269



**SONIA THAKUR**

Company Secretary

Membership No-40393



# Personal Loan Policy

(Version 3.0)

Personal loans are unsecured instalment loans for any declared legal purpose. The personal loan will be equal instalment amortizing loans with tenor between 1 month to 4 years with the loan amount ranging from INR 1K to INR 1000K.

Personal loans will be targeted primarily to salaried segment. The customer is required to read and sign a specific declaration agreeing to all the terms and condition of this program

Parameters	Norms
Type of Loan	Personal Loans
Purpose	Loan Purpose includes <ul style="list-style-type: none"> <li>• Wedding</li> <li>• Holidays</li> <li>• Paying college fee or for professional courses</li> <li>• Renovation of house</li> <li>• Debt Consolidation</li> <li>• Shopping etc.,</li> </ul>
Age Norms	Minimum – 18 years Maximum – 59 Years
Customer Profile	Salaried/Self Employed
Minimum Income Norms	Annual Household Income greater than 3 lakhs.
Loan Amount	Minimum Loan Amount – INR. 1K Maximum Loan Amount – INR. 1000K
Loan Tenor	Minimum Tenor – 1 Months Maximum Tenor – 4 Years
Locations	PAN India*  *operational city varies based on customer default basis
Bureau Norms	<ul style="list-style-type: none"> <li>• Score* &gt;= 675. Specific criteria for NTC.</li> <li>• 30+, 60+ and 90+ DPD, Overdue/ written off, Enquiries across various tradelines over different time frame as reflected in Bureau.</li> <li>• * Cut off may vary over time based on portfolio analysis. Changes get duly approved by relevant committee.</li> </ul>
Repayment Mode	NACH, Online Payments etc. depending on the product construct.

Banking	Banking to be taken through Perfios/Account Aggregator ('AA') in certain segments.
Verifications & Checks	<ul style="list-style-type: none"> <li>- OKYC/CKYC through UIDAI.</li> <li>- PAN validation through NSDL</li> <li>- Bank account validation</li> <li>- OTP Validation of Phone number</li> </ul>
Loan Eligibility	Limit assignment basis one or more of the below <ul style="list-style-type: none"> <li>- Multiplier based on existing eligible tradelines in Bureau</li> <li>- Grid based on proprietary scores as well as Bureau Score</li> <li>- FOIR for Banking segment customers</li> </ul>
Bank account conduct	<ul style="list-style-type: none"> <li>• Latest 3 months of statement required</li> <li>• Conditions basis factors such as total credit to debit ratio, minimum balance, etc.</li> <li>• Average bank balance is calculated as an average of balances on 1<sup>st</sup>, 15<sup>th</sup> and 25<sup>th</sup> day of each month. (This criteria to be used only wherever its applicable/in force)</li> </ul>
Ownership Proof	<ul style="list-style-type: none"> <li>• *Currently we are not taking any specific ownership proof</li> </ul>

## Documents Requirement

Below listed documents are currently required to process the loan for the customer\*

- Photo ID Proof (As per the Annexure I).
- Selfie to Uploaded in customer application form
- ECS Form / NACH Form/ Online Nach
- Agreement duly filled and signed by the customer.

All the above mentioned documents from the customer to be digitally collected during customer's online on-boarding journey.

\*Document requirement may change over time. Changes are duly approved through relevant committee

## **Operations checklist (may vary across products)**

- KYC documents as per RBI norms or Photo identification document can be PAN/OKYC.
- Selfie
- Salary slips for last 3 months (applicable in some segment)
- Proof of employment (applicable in some segment)
- DOB to be as per the above documents
- Nach amount is taken for 1.5 times maximum LOC amount

## **Review Mechanism**

Regular reporting and review of the portfolio will be done to understand the distribution mix, portfolio performance and delinquency etc.

### Early Warning Triggers

Parameters	Thresholds
30+ DPD	5.00%
90+ DPD	4.00%
Net Credit Loss	4.00%

Necessary amendments towards the policy to be taken in case the above triggers are breach.

ANNEXURE I: KYC CHECKLIST

S. No.	Description	ID Proof	Address Proof	Signature Proof
		Applicability (Y/N)		
1	PAN Card	Y	N	Y
2	UID Certificate (Aadhar copy or OKYC)	Y	Y	N

\*Changes done in physical documentation with transition to complete digital journey





## INDIA NON JUDICIAL

### Government of National Capital Territory of Delhi

#### e-Stamp

Certificate No.	: IN-DL31888853455198X
Certificate Issued Date	: 07-Feb-2025 02:07 PM
Account Reference	: IMPACC (IV)/011067803/ DELHI/ DL-DLH
Invoice Doc. Reference	: SUBIN-DL01106780307035484106045X
Purchased by	: AKARA CAPITAL ADVISORS PRIVATE LIMITED
Description of Document	: Article 5 General Agreement
Property Description	: DEBENTURE TRUSTEE AGREEMENT
Consideration Price (INR.)	: 0 (Zero)
First Party	: AKARA CAPITAL ADVISORS PRIVATE LIMITED
Second Party	: BEACON TRUSTEESHIP LIMITED
Stamp Duty Paid By	: AKARA CAPITAL ADVISORS PRIVATE LIMITED
Stamp Duty Amount(INR.)	: 500 (Five Hundred only)



Document ID: 30993151198X

This stamp paper forms an integral part of the Debenture Trustee Agreement between Akara Capital Advisors Private Limited and Beacon Trusteeship Limited dated 11th February 2025

*Ashish K. Jha*





## INDIA NON JUDICIAL

### Government of National Capital Territory of Delhi

#### e-Stamp

Certificate No.	: IN-DL31689611978981X
Certificate Issued Date	: 07-Feb-2025 02:07 PM
Account Reference	: IMPACC (IV)/ dl1067803/ DELHI/ DL-OLH
Unique Doc. Reference	: SUBIN-DL DL106780307003955246040X
Purchased by	: AKARA CAPITAL ADVISORS PRIVATE LIMITED
Description of Document	: Article 5 General Agreement
Property Description	: DEBENTURE TRUSTEE AGREEMENT
Consideration Price (INR)	: 0 (Zero)
First Party	: AKARA CAPITAL ADVISORS PRIVATE LIMITED
Second Party	: BEACON TRUSTEESHIP LIMITED
Stamp Duty Paid By	: AKARA CAPITAL ADVISORS PRIVATE LIMITED
Stamp Duty Amount (Rs.)	: 500 (Five Hundred only)



For e-Stamp verification visit

**This stamp paper forms an integral part of the Debenture Trustee Agreement between Akara Capital Advisors Private Limited and Beacon Trusteeship Limited dated 11th February 2025**

*Ashish K. Jha*



## DEBENTURE TRUSTEE AGREEMENT

This debenture trustee agreement ("Agreement") is made at New Delhi on February 11, 2025, by and between,

**AKARA CAPITAL ADVISORS PRIVATE LIMITED**, a company incorporated under the Companies Act, 2013 with CIN U74110DL2016PTC290970 and having its registered office at the 60, SECOND FLOOR, ARJUN NAGAR KOTLA MUBARAK PUR KA NEW DELHI North East DL 110003 IN (hereinafter referred to as the "Company", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of the **FIRST PART**;

AND

**BEACON TRUSTEESHIP LIMITED**, a company incorporated under the Companies Act, 2013 with CIN L74999MH2015PLC271288, having its registered office at 5W, 5<sup>th</sup> Floor, The Metropolitan, Bandra Kurla Complex, Bandra (East) Mumbai, Mumbai City Maharashtra 400051 India and acting through its office at 715, 7<sup>th</sup> Floor, Naurang House Building 21, Kasurba Gandhi Marg, New Delhi - 110001 (hereinafter referred to as the "Debenture Trustee", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) of the **SECOND PART**.

(The Company and the Debenture Trustee are hereinafter collectively referred to as the "Parties" and individually as a "Party")

### BACKGROUND:

A. The Company, pursuant to the authority granted by the resolution of its Board of directors passed at its meeting held on February 11, 2025 under section 43, 71 and 179(3) of the Companies Act, 2013 and special resolution passed by the shareholders of the Company under Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013 on November 14, 2024, proposes to issue up to 3500 (Three Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) ("NCOs"/ "Debenture(s)") comprising of:

- a. a base issue of 2000 (Two Thousand) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only);
- b. a green shoe option of up to 1500 (One Thousand Five Hundred) senior, secured, rated, listed, transferable, redeemable non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 15,00,00,000/- (Indian Rupees Fifteen Crores Only) ("Green Shoe Option");

for cash at par on private placement basis), in dematerialized form to certain identified investors on a private placement basis in accordance with the provisions of the Companies Act, 2013, Securities Exchange Board of India (Debenture Trustees) Regulations, 1993 ("Debenture Trustee Regulations"), as amended from time to time. The Debentures may be listed on the wholesale debt market segment of the BSE Limited in accordance with the Securities Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("SEBI NCS Listing Regulations"), as amended from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

B. Pursuant to the Companies Act, 2013, the Company is required to appoint a debenture trustee for the benefit of the debenture holders and the debenture trustee shall act as per the provisions of the Debenture Trustee Regulations. Accordingly, the Company has approached BEACON TRUSTEESHIP LIMITED to act as the debenture trustee on behalf of and for the benefit of the holders of the Debentures ("Debenture Holders") and BEACON TRUSTEESHIP LIMITED has agreed to act as the debenture trustee for the benefit of Debenture Holders, on the terms and conditions agreed upon and

hereinafter set out, The Debenture Trustee is registered with the Securities Exchange Board of India ("SEBI") as debenture trustee under the Debenture Trustee Regulations.

- C. The detailed terms and conditions in relation to the rights, duties and obligations of the Debenture Trustee and the terms and conditions of the Debentures, shall be more specifically set out in the debenture trust deed ("Deed") to be entered into by the Company and the Debenture Trustee.
- D. The Parties have agreed to enter into this Agreement to record the terms of appointment of the Debenture Trustee.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

#### OPERATIVE TERMS:

##### 1. DEFINITIONS

Unless otherwise defined herein, capitalised terms defined and references construed in the Deed shall have the same meaning and construction when used in this Agreement. In this Agreement, the following terms have the following meanings:

"Debenture Holders" has the meaning ascribed to it in Recital B above;

"Deed" has the meaning ascribed to it in Recital C above;

"Debenture Trustee Regulations" has the meaning ascribed to it in Recital A above;

"Debenture(s)" has the meaning ascribed to it in Recital A above;

"Disclosure Documents" means, collectively, the general information document ("GID") and the relevant key information document ("KID") and private placement offer cum application letter as issued by the Company in respect of the Debentures.

"Hypothecated Assets" shall have the meaning provided to it in the Debenture Trust Deed;

"Information Utility" means the National E-Governance Services Limited (NeSI) or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017;

"LODR Regulations" shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

"Master Circular for Debenture Trustee" shall mean "Master Circular for Debenture Trustees" issued vide circular no. SEBI/HQ/DOHS-PoD3/P/CIR/2024/46 dated May 16, 2024 and as amended from time to time;

"Master Circular for Debentures" means the circular issued by SEBI bearing the reference number SEBI/HQ/DOHS-PoD1/P/CIR/2024/54 dated May 22, 2024 on "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", as amended, modified, supplemented or restated from time to time;

"Relevant Laws" shall mean all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any governmental or regulatory authority and any modifications or re-enactments thereof;

"SEBI" has the meaning ascribed to it in Recital B above;

"SEBI Listed Debentures Circulars and Regulations" means, collectively, Master Circular for Debenture Trustee, the Master Circular for Debentures, SEBI NCS Regulations and the LODR Regulations (to the extent applicable);

"SEBI NCS Listing Regulations" has the meaning ascribed to it in Recital A above;

## 2. APPOINTMENT OF TRUSTEE, ROLES AND RESPONSIBILITIES

- a. The Company hereby appoints BEACON TRUSTEESHIP LIMITED as the debenture trustee on behalf of and for the benefit of the Debenture Holders for the Debentures to be issued by the Company and the Debenture Trustee hereby agrees to act as debenture trustee for the benefit of the Debenture Holders. The Company shall pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration for their services in accordance with the fee letter bearing ref no: 68993/CL/MLM/24-25/DEB/577 dated February 05, 2025 as may be amended from time to time and, in addition to all legal, travelling and other costs, charges and expenses (with prior intimation to the Company subject to cap as stated in this Agreement) which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Deed.
- b. The Company agrees and undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, the Companies Act, 2013, the SEBI NCS Listing Regulation, as amended from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and guidelines of other regulatory authorities as may be applicable from time to time in respect of issuance and allotment of Debentures till redemption and agrees to furnish to the Debenture Trustee such information in terms of the same on regular basis and as may be requested by the Debenture Trustee.
- c. The Company shall create first ranking exclusive charge over the Hypothecated Assets by entering into a Deed of Hypothecation prior to the Deemed Date of Allotment and in any case prior to listing of debentures.
- d. Further, the Company shall execute the Debenture Trust deed prior to making an application for the listing of the Debentures in Form SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014 or as near thereto as possible in favour of the Debenture Trustees. Such trust deed shall consist of two parts:
  - a. Part A containing statutory/standard information pertaining to the debt issue;
  - b. Part B containing details specific to the particular debt issue.
- e. If the Company fails to execute the Debenture Trust Deed within the period specified, without prejudice to any liability arising on account of violation of the provisions of the Companies Act 2013, SEBI NCS Listing Regulation, the Company shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by the SEBI to the Debenture Holders, over and above the agreed coupon rate of the Debentures, till the execution of the Debenture Trust Deed.
- f. The Company shall on or prior to the date of execution of Debenture Trust Deed, provide to the Debenture Trustee, the bank account details from which the Company proposes to make the payment of Debenture outstandings and other Outstanding Due. Further, the Company hereby undertakes that it shall preauthorize the Debenture Trustee to obtain information in respect of the payment of such Debenture Outstandings from the relevant bank.
- g. Documents required to be submitted prior to or simultaneously with execution of this Agreement:

Along with execution of this Agreement the Company shall provide requisite information and documents to the satisfaction of the Debenture Trustee for carrying out the requisite due diligence as required in terms of the relevant Laws including in connection with verification of the security / contractual comforts and the required asset cover for the Debentures, which is undertaken by



the Company to be submitted simultaneously with or prior to the execution of this Agreement. The Company shall provide information and documents to the extent applicable as set out in Annexure A hereto.

**h. Terms of carrying out due diligence:**

- i. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets (if applicable) and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Disclosure Document and the Relevant Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical expert /management consultants appointed by the Debenture Trustee. Prior to appointment of any agents /advisors/consultants, the Debenture Trustee shall obtain necessary confirmation from the said agents/ advisors/ consultants that they do not have any conflict-of-interest in conducting the diligence under the transaction;
  - ii. The Company shall provide all assistance to the Debenture Trustee to enable verification of the assets for securing the Debentures as are registered / disclosed;
  - iii. The Company shall ensure that it provides and help to procure all information, representations, confirmations and disclosures as may be required by the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Relevant Laws; and in order to ensure efficient recording of details regarding creation of security and monitoring of covenants via the system hosted by Depositories using the distributed ledger technology ("DLT"), various stakeholders, including Issuer and Debenture Trustee shall ensure that they are in compliance of Chapter III of the Debenture Trustee Master Circular and various circulars issued in respect of the DLT system issued by SEBI from time to time.
- i. The Company shall pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, travelling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed to give effect to the creation of security for securing the Debentures and such any other expenses like advertisement, notices, letters to debenture holders, and additional professional fees/expenses that would be incurred in case of default of payment. The remuneration of the Debenture Trustee shall be in accordance with the fee letter bearing ref no. 63393/CL/MUM/24-25/DIE6/577 dated February 05, 2025, as may be amended from time to time.
- j. In addition to the documents to be provided under the terms of the Debenture Trust Deed, the Company shall inter-alia furnish/shall have furnished to the Debenture Trustee the following documents:-
- i. Memorandum and Articles of Association of the Company;
  - ii. Disclosure Document;
  - iii. Agreement with the Registrar to issue the Debentures;
  - iv. Letters from Rating Agencies about ratings;
  - v. A return of allotment filed with the registrar of companies [Form No-PAS 3] within 15 (fifteen) calendar days from the Deemed date Allotment;

*Ashish K. Jha*



- vi. A complete record of private placement offers made by the Company (Form No-PAS 5) within 15 calendar (fifteen) days from the Deemed date of Allotment;
- vii. ROC search Report;
- viii. List of receivables proposed to be hypothecated;
- ix. Necessary corporate authorisations including the board resolution and/or shareholder resolution for allotment of Debentures;
- x. Proof of Credit / Dispatch of Debenture Certificates;
- xi. Copy of last 3 (three) years' Audited Annual Reports;
- xii. Copy of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
- xiii. Debenture Trust Deed;
- xiv. This Agreement;
- xv. ROC Certificate;
- xvi. Security / Transaction Documents;
- xvii. Confirmation/Proofs of payment of interest and principal made to the Debenture Holders on due dates;
- xviii. Statutory Auditors' Certificate for utilization of funds/issue proceeds from the Debentures;
- xix. Statutory auditor/independent chartered accountant certificate on maintenance of Stipulated Security Cover, including compliance with the covenants of the Debenture Trust Deed as required under the SEBI Listing Obligations and Disclosure Requirements Regulations in respect of the Debentures/ valuation report for the movable assets (as applicable), in each instance, within such timelines as may be prescribed by the SEBI from time to time;
- xx. Periodical Reports on half yearly, quarterly and annual basis;
- xxi. Beneficiary Position Reports;
- xxii. Details of the depository with whom the Debentures are held in dematerialised form;
- xxiii. Offer letter issued by the Company pursuant to the provisions of the Act;
- xxiv. Such other documents as may be reasonably required by the Debenture Trustee;
- xxv. CHG 9 or any modification made thereunder.
- xxvi. Details of the recovery expenses fund created by the Company in terms of the Master Circular for Debenture Trustee;
- xxvii. Information to be submitted to the Stock Exchanges as required by the SEBI Debt listing agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 as amended from time to time, within the timelines as mentioned in the Regulation;

ANAND CHARTERED ACCOUNTANTS LLP  
  
 CHARTERED ACCOUNTANTS



- xxviii. In principle approval for listing of NCDs from Stock Exchange;
  - xxix. Acknowledgement of filing the Disclosure Document with the Stock Exchange(s);
  - xxx. Listing permission from the Stock Exchange; and
  - xxxi. Such other documents as may be reasonably required by the Debenture Trustee under the Compliance checklist bearing reference number: 68454/BTL/CPR/24/25 dated February 06, 2024.
- k. **Information Accuracy and Storage:**
- i. The Company declares that the Information and data furnished by the Company to the Debenture Trustee is true and correct.
  - ii. The Company confirms that the requisite disclosures made in the Disclosure Documents are true and correct;
  - iii. All disclosures made in the Disclosure Documents with respect to creation of security are in confirmation with the clauses of this Agreement; and
  - iv. The Company undertakes and acknowledges that the Debenture Trustee and any other authorised agency may use, process the information and data disclosed to the Debenture Trustee in the manner as deemed fit by them in relation to the purpose of the due diligence to be undertaken in relation to the issuance of the Debentures.
- l. The Company confirms that all necessary disclosures will be made in the Disclosure Document including but not limited to statutory and other regulatory disclosures.
- m. The Trustees, "ipso facto" do not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by Investors for the debentures/Bonds.
- n. The Company hereby declares and confirms that it has given an undertaking in the offer document that the assets on which the charge is created is free from encumbrances.
- o. The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoter has not been restrained or prohibited or debarred by the Securities Exchange Board of India ("SEBI") from accessing the securities market or dealing in securities. The Company hereby further declares and confirms that, as on the date of this Agreement, and the date of filing the Disclosure Document, it is an 'eligible issuer' in accordance with Regulation 5 (1) of the SEBI (Issue and Listing of Non-convertible Securities) Regulation, 2021.
- p. The Company hereby agrees and undertake to pay all stamp duty charges with respect to the Transaction Documents.
- q. The Company shall, pay on demand, all actual costs and expenses (including legal fees) in connection with the preparation, negotiation of or entry into this Agreement and/or any amendment of, supplement to or waiver in respect of this Agreement, against submission of the requisite supporting documents. Apart from the Debenture Trustee fees, the Company shall, from time to time, make payment to/ reimburse the Debenture Trustee in respect of all reasonable expenses and out-of-pocket costs incurred by the Debenture Trustee. The Company shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Agreement and/or any such amendment, supplement or waiver. Except in case of occurrence of an Event of Default, all costs incurred by the Debenture Trustee during the tenor of the Debentures shall be capped at INR 50,000. Any costs incurred during the tenor over and above INR 50,000 other than as stated above shall be incurred

*Signature of Authorised Signatory*  
 Authorised Signatory



subject to agreement with the Company and shall be reimbursed subject to providing proof of such costs incurred.

- r. All other the rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the Deed entered or to be entered into between the Company and the Debenture Trustee.
- s. The Company shall provide all assistance to the Debenture Trustee, as may be required by it, to carry out the necessary due diligence and monitor the security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI Debenture Trustee Circular and such other relevant circulars as may be issued or amended by SEBI with respect to listed non-convertible debentures issuances.
- t. The Company shall comply with SEBI Listed Debentures Circulars and Regulations as applicable during the tenor of the Debentures.
- u. **Indemnity**

The Company shall, commencing from the Deemed Date of Allotment until the Final Settlement Date, within 10 (ten) days of demand, indemnify the Debenture Holders and Debenture Trustee from time to time, against any and all losses, liabilities, obligations, damages, judgments, costs, expenses (including, without limitation, advisors' fees), claims, fines, penalties, proceedings, actions or demands, of any kind or nature incurred by the Debenture Trustee/Debenture Holders as a result of:

- a) occurrence of any Event of Default; or
  - b) any demand for any stamp duty, registration fee or any other duty, fee, costs, or imports received from any Governmental Authority in relation to the transactions contemplated under the Transaction Documents (including without limitation, any demand from stamp duty arising because any Transaction Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed as a result of any act on part of the Company; and
  - c) a failure by the Company to pay any amount due under any Transaction Document on its due date.
- v. No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by the Parties hereto, provided however that the Debenture Trustee shall not agree to any amendment to this Agreement which is likely to adversely affect the rights of the Debenture Holders, without the consent of the Debenture Holders in the manner as stipulated under the Debenture Trust Deed.

w. **The Company further confirms that:**

- i. All covenants proposed to be included in the Debenture Trust Deed (including any side letter, accelerated payment clause, fees charged by the debenture trustee, etc.) and the Deed of Amendment are disclosed in Disclosure Document;
- ii. Arrears of instalments of annual service charges, if any, and/ or delay in reimbursement of cost, charges and expenses shall carry interest at the rate of 16% (Sixteen percent) per annum or applicable interest rate under MSME Act, whichever is higher, from the date of bill till the date of actual payment which shall be payable on the footing of compound interest with quarterly rests.
- iii. Terms and conditions of this Agreement including fees charged by the Debenture Trustee and process of due diligence carried out by Debenture Trustee shall be disclosed under the Disclosure Documents;

- iv. The Debenture Trustee shall make the required filings to the Central Registry of Securitization Asset Reconstruction and Security Interest of India ("CERSAI") within the time period prescribed under applicable Law. The Company will provide all information and assistance that the Debenture Trustee may require in relation to any filings to be made with the CERSAI to enable the Debenture Trustee to make the required filings to the CERSAI within the time period prescribed under Relevant Laws; and
- v. The Company shall, to the extent applicable and required under relevant Laws, ensure and procure the completion of all relevant filings required to be made with any Information Utility in accordance with the [Indian] Insolvency and Bankruptcy Code, 2016 and any other rules and regulations made thereunder from time to time.

### 3. MISCELLANEOUS

#### 3.1 Governing Law

This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed as per laws in India, without reference to its conflict of law principles.

#### 3.2 Jurisdiction

- (a) The Company agrees that the courts and tribunals at Delhi shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "Proceedings") arising out of or in connection with this Agreement may be brought in such courts or the tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.
- (b) The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Delhi and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agree that a judgment in any Proceedings brought in the courts and tribunals at Delhi shall be conclusive and binding upon them and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by law.
- (c) Nothing contained in this Clause 3, shall limit any right of the Trustee to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.
- (d) The Company hereby consents generally in respect of any Proceedings arising out of or in connection with the Agreement to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (e) To the extent that the Company may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity. Company irrevocably agrees

IN WITNESS WHEREOF, THE COMPANY HAS CAUSED THIS AGREEMENT TO BE SIGNED BY ITS AUTHORIZED SIGNATORY  
  
 Authorized Signatory





that, should any party take any proceedings anywhere, no immunity from those proceedings, from attachment of their assets or from execution of judgment shall be claimed by them or with respect to their assets. The Company irrevocably agrees that it and its assets are, and shall be, subject to such proceedings, attachment.

- (f) Any disputes, differences between the Company and the Debenture Trustee (acting for itself and in its individual capacity) and arising out of or in connection with the activities of the Debenture Trustee in the securities market (acting for itself and in its individual capacity) shall be settled through any dispute resolution mechanism and procedures specified by SEBI in accordance with the Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023 ("SEBI ADR Procedures"), if the resolution of the Dispute through the SEBI ADR Procedures is mandatory under Applicable Law, or applicable to the Parties under applicable Law in connection with the Issue. The Parties further agree that, nothing contained in this Clause 3 shall limit any right of the Debenture Trustee to bring in any action against the Company in any other court or tribunal of competent jurisdiction nor shall the taking of such action in one or more jurisdictions preclude the taking of such action in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal.
- (g) Save and except for the disputes, differences between the Company and the Debenture Trustee arising out of or in connection with the activities of the Debenture Trustee in the securities market as provided in Clause 3.2 (f) above, the courts and tribunals at the Delhi shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the Transaction Documents (including a dispute regarding the existence, validity or termination of this Agreement) and the Debentures, and that accordingly any suit, action or proceedings arising out of or in connection with the Transaction Documents and/or the Debentures may be brought in such courts and tribunals.

### 3.3 Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

### 3.4 Effective Date

This Agreement shall be effective on and from the date first hereinabove written and shall be in force till all outstanding amounts in respect of the Debentures have been fully paid to the Debenture Holders.

### 3.5 Notices

Unless otherwise provided herein, all notices or other communications to be given shall be made in writing and by letter, e-mail or facsimile transmission (save as otherwise stated) and shall be deemed to be duly given or made, in the case of personal delivery, when delivered; in the case of e-mail when received; in the case of facsimile transmission, provided that the sender has received a receipt indicating proper transmission, when dispatched, or, in the case of a letter, 2 (Two) Business Days after being deposited in the post (by registered post, with acknowledgment due), postage prepaid, to such party at its address, e-mail address or facsimile number specified herein or at such other address, e-mail address or facsimile number as such party may hereafter specify for such purposes to the other by notice in writing.

- a. In the case of notices to be issued by either the Company or the Debenture Trustee, the same shall be sent to the Debenture Holders with a copy to the other party as the case may be.
- b. The particulars of each Party for the purposes of serving notices shall be as follows:

CA/LL/STOCK ADVISORS PVT. LTD.  
Atul Jain  
Atul Jain



In case of Company:

**Attention** : Accounts Department  
**Address** : 60, Second Floor, Arjun Nagar Kotla Mubarak Pur, New Delhi,  
North East, DL 110003, IN  
**Email** : [accounts@satish.in](mailto:accounts@satish.in)

In case of Debenture Trustee:

**Attention** : Mr Kaustubh Kulkarni  
**Address** : SW, 5<sup>th</sup> Floor, The Metropolitan, Bandra Kurla Complex, Bandra  
(East), Mumbai 400 051  
**Email** : [compliance@beacontrustee.co.in](mailto:compliance@beacontrustee.co.in)

**3.5 Conflicts**

- a. The provisions contained in this Agreement shall be read together with the provisions contained in the Disclosure Documents and the other Transaction Documents,
- b. In case of any inconsistency between the provisions contained in this Agreement or those of any Disclosure Documents or any other Transaction Document, the provisions contained in the Deed shall prevail.

[intentionally left blank; signature page follows]

PRATHAP CAPITAL ADVISORS PVT. LTD.  
  
Authorized Signatory



**SIGNATURE PAGE**

IN WITNESS WHEREOF the Debenture Trustee and the Company have caused these presents and the duplicate thereof to be executed by their authorized official on the day, month and year first above written as hereinbefore appearing.

SIGNED AND DELIVERED BY  
AKARA CAPITAL ADVISORS PRIVATE  
LIMITED the within named Company  
by the hand of its authorized official

AKARA CAPITAL ADVISORS (PVT) LTD.  
  
Akash K. Jha, Secretary

SIGNED AND DELIVERED BY  
BEACON TRUSTEESHIP LIMITED the  
within named Debenture Trustee  
by the hand of its authorized official

Satinder Pal Singh

For Beacon Trusteeship Limited

  
Authorised Signatory

**Annexure A**

1. Information/ documents to be provided by the Issuer Company, prior to entering into the Agreement, to the extent applicable;

Sr. No.	Information/ Documents
i.	Details of information in relation to the assets on which charge is proposed to be created including: (a) Details of receivables forming part of Hypothecated Assets; (b) Copy of evidence of registration Registrar of Companies.
ii.	An undertaking confirming that all the information provided to the Trustee are true and correct and the trustee may in good faith rely upon and shall not be liable for acting or refraining from acting upon such information furnished to it under this Agreement.
iii.	Any other information, documents or records required by Debenture Trustee with regard to creation of security and perfection of security.

VIKARA CAPITAL ADVISORS LLP LTD.  
*Atchit K. Jha*  
Authorized Signatory

