

AKARA CAPITAL ADVISORS PRIVATE LIMITED

**EIGHTH ANNUAL REPORT
FINANCIAL YEAR 2023-24**

Eighth Annual Report for FY 2023-24

**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

Mr. Ashish Kumar Singh

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 TRUSTESHIP PRIVATE LIMITED

The Capital, A Wing, 412A,
Bandra Kurla Complex,
Bandra (East) Mumbai 400 051
Tel.: +91 (022) 4264 8335 / +91 (022) 4014 0832
Website: <https://vardhmantrustee.com/>
Email: jagruti@vardhmantrustee.com

CATALYST TRUSTEESHIP LIMITED

901, 9th Floor, Tower-B, Peninsula Business Park,
Senapati Bapat Marg Lower Parel (W), Mumbai – 400013
Tel.: +91 (022) 49220555
Website: ctltrustee.com
Email: dt.mumbai@ctltrustee.com

MITCON CREDENTIALIA TRUSTEESHIP SERVICES LTD.

1402/1403, 14th Floor, Dalamal Tower,
B-Wing, Free Press Journal Marg, 211,
Nariman Point, Mumbai – 400021
Tel.: Mrs. Vaishali Urkude - +91-9833420217
Website: <https://www.mitconcredentia.in/>
Email: contact@mitconcredentia.in

AXIS TRUSTEE SERVICES LIMITED

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg,
Dadar West, Mumbai – 400028
Tel.: +91-22-62300451
Website: <https://www.axistrustee.in/>
Email: debenturetrustee@axistrustee.in

BEACON TRUSTEESHIP LIMITED

5W, 5th Floor, The Metropolitan,
E Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051
Tel.: Mr. Kaustubh Kulkarni, +91-22-46060278
Email: compliance@beacontrustee.co.in
Website: beacontrustee.co.in

Statutory Auditors**SERVA ASSOCIATES**

Chartered Accountants
Address: 1011-1014, 10th Floor,
R G Trade Tower, Netaji Subhash Place, Pitampura,
Delhi – 110034
Tel.: +91-11-42502244
Email: info@servamail.in
Website: www.serva.in

Registered Office

60, Third Floor, Arjun Nagar
Kotla Mubarak Pur
New Delhi- 110003
Email: company.secretary@akaracap.com
Tel: +91-9643309883

Corporate Office:

Unit No. 1801-1805, 1806A, 1806B

1807A 1807B and 1815

18th Floor, Magnum Global Park 2

Golf Course Extension Road

Sector 58, Gurgaon – 122011, Haryana

Email: company.secretary@akaracap.com

Tel: +91-9643309883

NOTICE OF 8TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 8th ANNUAL GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED WILL BE HELD AT SHORTER NOTICE ON THURSDAY, 26TH DAY OF SEPTEMBER 2024 AT 11:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 60, SECOND FLOOR, ARJUN NAGAR, KOTLA MUBARAKPUR, NEW DELHI - 110003 TO TRANSACT THE FOLLOWING BUSINESS (S)

ORDINARY BUSINESS:

- 1. Adoption of the Financial Statements of the Company for Financial Year ended on 31st March, 2024:**

To receive, consider and adopt the Financial Statements containing the Balance Sheet as at 31st March 2024 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 Audited Financial Statements of the Company for the financial year ended 31st March, 2024 including Audited Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss & Cash Flow for the year ended on that date and the Reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

**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: 24th September, 2024

NOTES:

1. Since the Company has only two members therefore both the Members shall be required to attend the ensuing Annual General Meeting in person and hence there is no requirement to tender or submit the proxy.
2. Members are requested to fill the enclosed Attendance Slip and deposit the same at the entrance of the meeting hall.
3. Members are requested to inform the Company immediately, any change of address.
4. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the ensuing Annual General Meeting at least forty-eight hours before the meeting.
5. The route map to the venue of the Meeting is annexed with the notice and forms an integral part of the notice.
6. Register of Directors and Key Managerial Personnel and their shareholding, maintained u/s. 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
7. The Register of Contracts or arrangements in which the Directors are interested, maintained u/s.189 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
8. All documents referred to in the notice shall be open for inspection at the Corporate office of the company on all working days, between 10.00 a.m. and 5.00 p.m. upto the date of the Meeting.
9. The requirement for ratification of Auditor has been done away with the effect from 7th May 2018

Akara Capital Advisors Private Limited

Registered Office: 60, SECOND FLOOR, ARJUN NAGAR, KOTLA MUBARAKPUR, NEW DELHI – 110003

ATTENDANCE SLIP

Please complete this attendance slips and hand it over at the entrance of the venue.

Full name of the Shareholder in Block Letters: _____

Folio No. : _____

No. of Shares held : _____

I hereby record my presence at the 8th Annual General Meeting of the Company to be held on Thursday, 26th September, 2024 at 11:00 a.m. at the registered office of the Company at 60, Second Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi – 110003

Signature of the Shareholder: _____

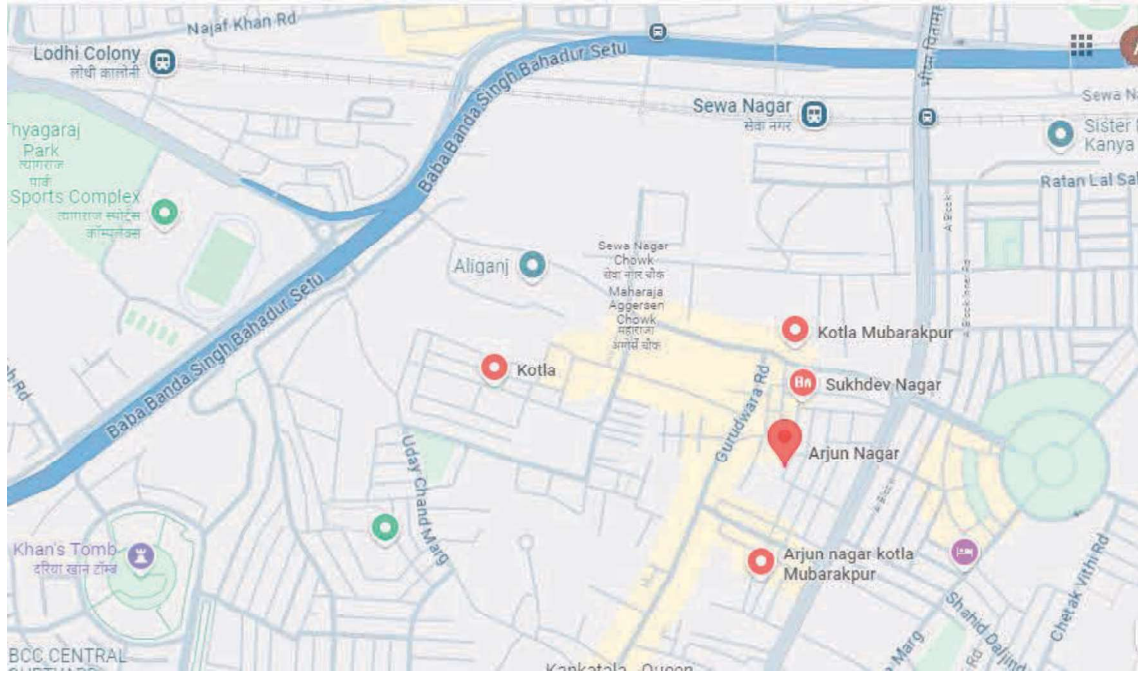
Note: Only Shareholders of the Company or their Proxies will be allowed to attend the Meeting.

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ROUTE MAP TO THE VENUE OF AGM:

AKARA CAPITAL ADVISORS PRIVATE LIMITED

Registered Office: 60, SECOND FLOOR, ARJUN NAGAR, KOTLA MUBARAKPUR, NEW DELHI – 110003



DIRECTORS' REPORT

Dear Members,

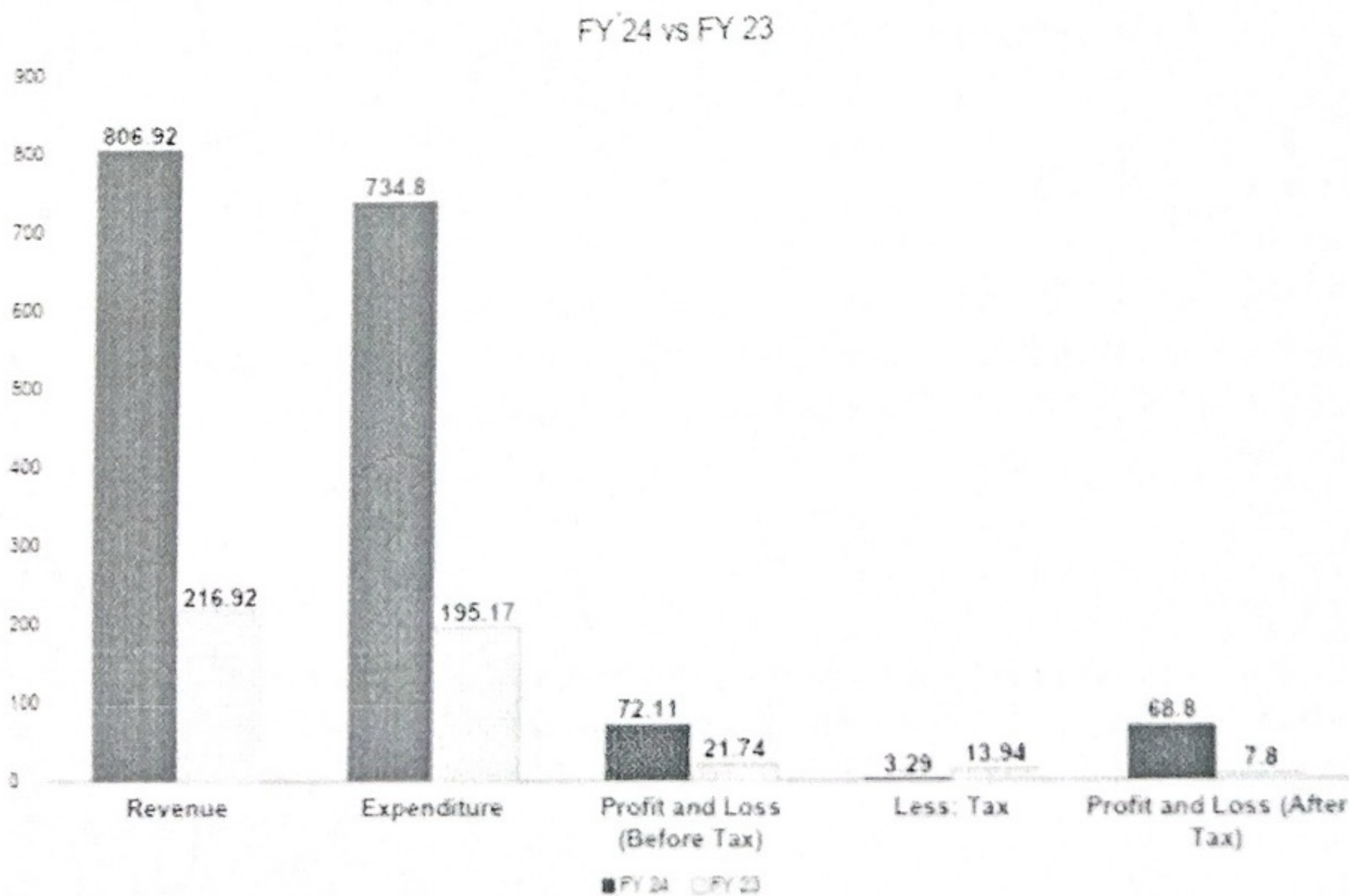
Your Board of Directors (the "Board") take pleasure in presenting the Eighth Annual Report of Akara Capital Advisors Private Limited (the "Company") together with the Audited Financial Statements and Independent Auditor's Report of the Company for the financial Year ended March 31, 2024 (the "Period").

1. FINANCIAL RESULTS

During the Financial Year ended March 31, 2024, your Company earned a revenue of INR 80,692.48 Lakhs and incurred expenditure of INR 73,480.54 Lakhs as against revenue and aggregate expenditure of INR 21,692.30 Lakhs and INR 19,517.50 Lakhs respectively during the previous financial year ended March 31, 2023.

The Company's financial performance for the financial Year ended March 31, 2024 is summarized below:

Particulars	For the year ended March 31, 2024 (in Lakhs)	For the year ended March 31, 2023 (in Lakhs)
Total Income	80,692.48	21,692.30
Expenditure	73,480.54	19,517.50
Profit/(Loss) before tax	7,211.95	2,174.79
Less: Tax Expenses & Deferred Tax	329.82	1,394.29
Profit / (Loss) for the year after taxation	6882.12	780.50



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2. STATE OF THE COMPANY'S AFFAIRS

Your Company was incorporated on 11th February 2016 with the Registrar of Companies, New Delhi. The Company is engaged in the activities of Finance and is registered with Reserve Bank of India as a Non-Banking Financial Company ('NBFC').

During the year under review, Net Revenue from the operations of your Company is increased substantially to Rs. 80,692.48 Lakhs as compared to Rs. 21,692.29 Lakhs in previous year. Your Company made profit after tax of Rs. 6882.12 Lakhs for the year ended 31st March 2024 whereas profit after tax of Rs. 780.50 Lakhs was booked for the previous financial year ended 31st March 2023.

3. SCALE BASED REGULATIONS

Reserve Bank of India issued a circular on "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs" on 22 October 2021 ('SBR Framework'). As per the framework, based on size, activity, and risk perceived, NBFCs are categorized into four layers, NBFC - Base Layer ('NBFC-BL'), NBFC - Middle Layer ('NBFC-ML'), NBFC - Upper Layer ('NBFC-UL') and NBFC - Top Layer ('NBFC-TL').

As per RBI categorization, Akara Capital Advisors Private Limited is an NBFC in the Middle Layer for the year 2023-24. The Company is in compliance with RBI Scale Based Regulations. With an endeavor to further strengthen the compliance culture across business and functions, an integrated compliance framework has been put in place which would be enhanced from time to time.

4. STANDALONE FINANCIAL STATEMENTS

The Standalone Financials of the Company have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') and accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Accounting Standards) Amendment Rules, 2016 as amended from time to time.

5. FUTURE OUTLOOK

Your Company has a target to aggressively grow the business portfolio. There will be expansion of existing business by more sales to existing customers. All of the revenue will generate from onboarding new customers which will help the Company to expand its retail portfolio as well.

6. RBI REGISTRATION

The Company is a Non-Banking Financial Company – Middle Layer (non-deposit taking) registered with the Reserve Bank of India (the "RBI") as Type II having Certificate of Registration No. N-14-03354 dated January 16, 2017 to commence the business of a NBFC without accepting public deposits. The Company is into the lending business.

7. DIVIDEND



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Your Directors decided that it would be prudent not to recommend any dividend for the financial year ended March 31, 2024.

8. RESERVE

During the year under review, your Company transferred Rs. 1,376.42 Lakhs to Statutory Reserve constitution 20% of the profits made as required under Section 45-IC of the Reserve Bank of India Act, 1934.

9. CAPITAL ADEQUACY

The Company's capital adequacy ratio was at 31.44% as of March 31, 2024, as against the statutory minimum capital adequacy of 15% as prescribed by the Reserve Bank of India.

10. SHARE CAPITAL

Your Company raised funds three times by issuance of Equity Capital, during year under review:

- (i) Rs. 41,17,98,340/- (Rupees Forty-One Crores Seventeen Lakhs Ninety-Eight Thousand Three Hundred and Forty only) and made allotment of 2,05,89,917 (Two Crore Five Lakh Eighty-Nine Thousand Nine Hundred and Seventeen) Equity Shares to Morus Technologies Pte Ltd.
- (ii) Rs. 8,28,95,000/- (Rupees Eight Crores Twenty-Eight Lakhs Ninety-Five Thousand) and made allotment of 41,44,750 (Forty-One Lakhs Forty-Four Thousand Seven Hundred and Fifty) Equity Shares to Morus Technologies Pte Ltd.
- (iii) Rs. 41,40,00,000/- (Rupees Forty-One Crores Forty Lakhs) and made allotment of 2,07,00,000 (Two Crore and Seven Lakhs) Equity Shares to Morus Technologies Pte Ltd.

With the above Capital Infusion, the Paid-up Share Capital of the Company as on March 31, 2024 stood at Rs. 3,15,99,39,980/- (Rupees Three Hundred Fifteen Crores Ninety-Nine Lakhs Three Ninety Thousand Nine Hundred and Eighty Only).

The Authorized Share Capital of the Company as on March 31, 2024 stood at Rs. 4,00,00,00,000/- (Rupees Four Hundred Crores only) consisting of 40,00,00,000 Equity Shares of 10/- each.

Sweat Equity shares:

The Company has not issued any sweat equity shares during the year under review.

Buy back of Shares:

The Company has not made any offer to buy back its shares during the year under review.

11. PUBLIC DEPOSITS



The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013. A resolution to this effect has been passed by the Board vide its meeting through circulation dated April 30, 2024.

12. ANNUAL RETURN

A copy of the Annual Return as provided under section 92(3) of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 is annexed in the prescribed Form, which will be filed with the Ministry of Corporate Affairs ("MCA") and shall be placed on the Company's website with the link: <https://www.akaracap.com/investors/disclosure-under-companies-act-2013/>.

13. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company did not give any loans, directly or indirectly to any person or to other body corporate, nor did it give any guarantee or provide any security in connection with a loan to any other body corporate or person under Section 186 of the Companies Act, 2013 during the period under review.

14. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the period under review, there was no change in the nature of business activities of the Company.

15. RELATED PARTY TRANSACTIONS

During the year under review, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on an arms' length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The details of Contract or arrangements are furnished in Note number 36 of the audited financial statements and enclosed as Annexure I to this Report.

16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report which form part of the Annual Report pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Updated as on March 21, 2024) issued by the Reserve Bank of India ('RBI') is annexed herewith as Annexure II.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

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The Board is duly constituted comprising of following directors at the beginning and end of the year under report.

S. N.	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. Vijuy Ronjan	Independent Director	24/02/2022
5	07924822	Mr. Vijay Jasuja	Independent Director	17/08/2022

Following are the Key Managerial Personnel of the Company on the date of signing of this report

S. N.	DIN/PAN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Managing Director	11/02/2016
2	DCBPK9509Q	Mr. Pankaj Kumar*	Chief Financial Officer	05/07/2023
3	AKAPT9620P	Ms. Sonia Rakesh Thakur**	Company Secretary and Compliance Officer	03/08/2022
4	BJGPS7698N	Mr. Ashish Kumar Singh***	Company Secretary and Compliance Officer	30/04/2024

*Mr. Pankaj Kumar was appointed as Chief Financial Officer of the Company w.e.f. 05/07/2023.

**Ms. Sonia Thakur, Company Secretary of the Company resigned from her designation w.e.f. 15/03/2024.

***Mr. Ashish Kumar Singh was appointed as Company Secretary and Compliance Officer w.e.f. 30/04/2024.

Except as stated above, there was no other change in Directors and Key Managerial Personnel of the Company, during the year under review.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the period under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

19. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and/or commitments occurred subsequent to the close of the financial year of the Company to which the Financial Statements relates i.e., March 31, 2024 and up to the date of signing of this report, which might affect the financial position of the Company.

20. STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTOR(S) PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013

Mr. Radhakrishnan Ramachandra Iyer, Mr. Vijay Jasuja and Mr. Vijuy Ronjan as Non-Executive Independent Directors of the Company, have given the necessary declaration under Section 149, Section



164 and Section 184 of the Companies Act, 2013. These Declaration have been placed before the Board and were duly taken on record.

21. PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013, nor does it have any scheme to invite any such deposits. The provisions of the aforesaid Sections are not applicable to the Company since the Company is a Non-Deposit Taking Non-Banking Financial Company.

22. 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.

23. STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 139 (1) of the Companies Act, 2013, at the Sixth Annual General Meeting ('AGM') held on August 17, 2022, the Members of the Company approved the appointment of M/s Suri & Sudhir, Chartered Accountants (Registration No. 000601N) as Statutory Auditors of the Company for a term of 5 (Five) years from the Financial Year 2022-23 onwards on such terms and conditions as may be mutually decided by the Statutory Auditors and Board of Directors of the Company. Accordingly, the intention was that Suri & Sudhir would continue to hold the office of as Statutory Auditors of the Company till the conclusion of the Tenth AGM i.e. Financial Year 2026-27.

However, The Reserve Bank of India ('RBI') had issued certain guidelines on April 27, 2021, concerning the appointment of Statutory Central Auditors (SCAs) / Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs), according to which the Statutory Auditors can take up audit of only up to 8 (Eight) NBFCs. Accordingly, our Statutory Auditors, Suri & Sudhir (Registration No. 000601N) have tendered their resignation vide their letter dated August 05, 2023 from the position of Statutory Auditors of the Company.

Pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and pursuant to recommendation made by the Board of Directors in its meeting held on April 04, 2022, the Members of the Company approved the appointment of M/s Serva Associates, Chartered Accountants (Firm Registration No.: 000272N) as Statutory Auditors of the Company for a period of three years from the conclusion of Seventh AGM to Ninth AGM i.e. from Financial Year 2023-24 to Financial Year 2025-26 on such terms & conditions and remuneration as may be mutually decided by the Statutory Auditors and the Board of Directors of the Company.

The Report given by the Statutory Auditors on the Financial Statements as on March 31, 2024 of the Company is part of the Annual Report. Your Directors do not observe any qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The Board has placed on record its sincere appreciation for the services rendered by M/s. Serva Associates, Chartered Accountant.



24. COST AUDITOR

During the review period, the provision of Section 148 of the Companies Act, 2013 and Companies (Cost records and Audit) rules, 2014(as amended from time to time) is not applicable on the Company.

25. SECRETARIAL AUDITORS

During the review period, the provisions of Section 204 (1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2020 and other applicable provisions, if any, of the Companies Act, 2013 is not applicable for the appointment of Secretarial Auditors.

26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

During the reporting period, there were no details of frauds reported by auditors under sub-section (12) of section 143 in the financial statement of the Company.

27. MEETINGS OF THE BOARD OF DIRECTORS

During the period under review, the Board of Directors of the Company met 13 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 composition and details of the meetings held during the year under review are mentioned below.

Sl. No.	Name of Directors	Director Since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter/Independent/Nominee)	DIN	Number of Board Meetings		No. of other Directorship	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1.	Tushar Aggarwal	11-02-2016	Promoter	01587360	13	13	3	Nil	Nil	Nil	Nil
2.	Shruti Aggarwal	11-02-2016	Promoter	06867269	13	13	3	41.25	Nil	Nil	100

3.	Radhakrishnan Ramachandralyer	03-02-2021	Independent	01309312	13	13	3	Nil	13.13	Nil	Nil
4.	Vijay Ronjan	24-02-2022	Independent	09345384	13	13	3	Nil	12.75	Nil	Nil
5.	Vijay Jasuja	17-08-2022	Independent	07924822	13	13	0	Nil	12.75	Nil	Nil

S. No.	Date of the Board Meeting	No. of Directors required to attend the BM	No. of Directors attended the BM
1.	19 th April 2023	5	5
2.	28 th April 2023	5	5
3.	29 th May 2023	5	5
4.	7 th June 2023	5	5
5.	13 th June 2023	5	5
6.	5 th July 2023	5	5
7.	25 th July 2023	5	5
8.	14 th August 2023	5	5
9.	9 th November 2023	5	5
10.	25 th November 2023	5	5
11.	12 th February 2024	5	5
12.	1 st March 2024	5	5
13.	15 th March 2024	5	5

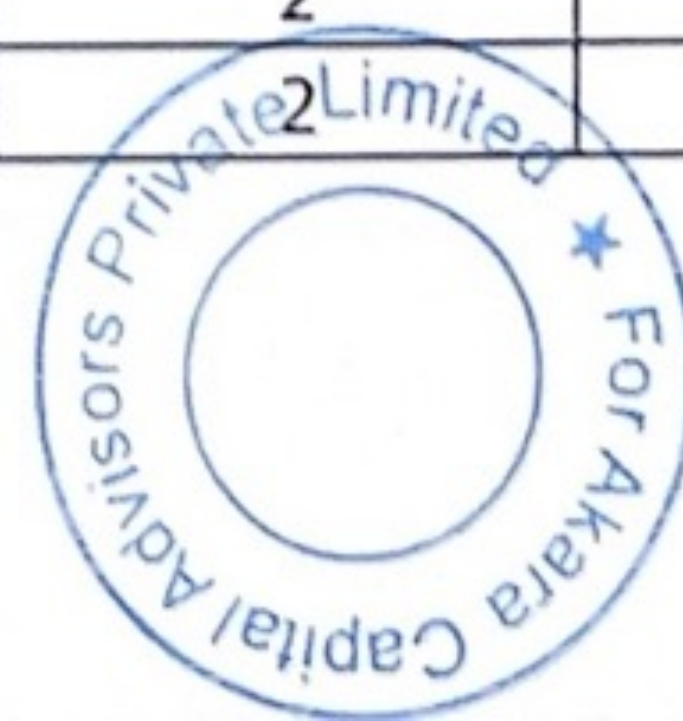
Details of Change in composition of the Board during the current and previous Financial Year:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation / Appointment)	Effective Date
1	Satish Chandra Sinha	Independent	Resignation	18-08-2022
2	Vijay Jasuja	Independent	Appointment	17-08-2022
3	Monica Dhawan	Independent	Appointment	16-12-2022
4	Monica Dhawan	Independent	Resignation	16-12-2022

28. ANNUAL GENERAL MEETING ('AGM') / EXTRA-ORDINARY GENERAL MEETING ('EGM'):

Following are the details of the Annual General Meeting ("AGM") and Extra-Ordinary General Meeting ("EGM") held during the year under review.

Sl. No.	Type of Meeting (AGM / EGM)	Date of AGM/ EGM and Place	Total Number of Members	Number of Members Present	Special Resolution passed
1.	AGM	28-08-2023, Delhi	2	2	2
2.	EGM	10-05-2023, Delhi	2	2	1
3.	EGM	02-11-2023, Delhi	2	2	1



29. COMMITTEE OF THE BOARD:

The Board has constituted various Committees to support the Board in discharging its responsibilities. As on March 31, 2024 the Company has 8 (Eight) Committees of the Board, constituted in accordance with the provisions of the Act.

The Committees of the Board focus on certain specific areas and make informed decision in line with the delegated authority.

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

I. Audit Committee ('AC'):

The Committee is responsible for review of internal control and audit financing, review of financial statements, approval of audit plan and appointment of auditors amongst other responsibilities as contained in the Terms of Reference. The Committee also foresees the management and direction of the Policy on Related Party Transaction and Vigil Mechanism Policy and related procedures of the Company.

The Audit Committee met 4 (four) times during the Financial Year 2023-24. The composition and details of the meetings held during the year under review are mentioned below.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Tushar Aggarwal	17-08-2022	Promoter	4	4	0
2.	Shruti Aggarwal	17-08-2022	Promoter	4	4	100
3.	Radhakrishnan Ramachandra Iyer	17-08-2022	Chairman (Independent)	4	4	0
4.	Vijay Ronjan	17-08-2022	Independent	4	4	0
5.	Vijay Jasuja	17-08-2022	Independent	4	4	0

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	29 th May, 2023	5	5
2.	14 th August, 2023	5	5
3.	9 th November, 2023	5	5
4.	10 th February, 2024	5	5



During the period under review, all the recommendations of the Audit Committee were duly accepted by the Board.

II. Nomination and Remuneration Committee ('NRC'):

The NRC is responsible for implementation of best practices being followed in the appointment and reappointment of Directors. The Committee evaluates the integrity and credibility of its directors engaged/to be engaged in managing and directing the affairs of the Company in sound and prudent manner. The objective is also to establish a transparent, fair and rational process for determining the appropriate candidate at reasonable remuneration at all the level of the Company in accordance with the criteria laid down by the Committee and in accordance with applicable laws.

The composition and details of the NRC meetings held during the year under review are mentioned below.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Tushar Aggarwal	17-08-2022	Promoter	4	4	0
2.	Shruti Aggarwal	17-08-2022	Promoter	4	4	100
3.	Radhakrishnan Ramachandra Iyer	17-08-2022	Independent	4	4	0
4.	Vijay Ronjan	17-08-2022	Chairman (Independent)	4	4	0
5.	Vijay Jasuja	17-08-2022	Independent	4	4	0

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	05 th July, 2023	5	5
2.	09 th November, 2023	5	5
3.	10 th February, 2024	5	5
4.	15 th March, 2024	5	5

During the period under review, all the recommendations of the Nomination & Remuneration were duly accepted by the Board.

The company has in place a Nomination and Remuneration Policy for determining the basis of criteria relating to the remuneration for the Directors, Key Managerial Personnel and other employees and setting up of mechanism for carrying out evaluation of directors' performance which is guided by the principles and objectives as enumerated in section 178 of the Act.



Further, in view of the RBI Master Direction, the Company has in place, Policy on Fit and Proper Criteria providing framework for ascertaining the fit and proper criteria at the time of appointment and on-going basis for the Directors.

III. Management and Operations Committee ('MOCB'):

The Committee is responsible for undertaking various day to day activities / measures / steps to implement and / or drive forward the operations in regular course of business including but not limited to opening / closing / operation of bank accounts, to avail net banking facilities and enter / undertake digital Banking services offered by or with various Banks and Financial Institutions. The Committee is also authorized to avail various Credit Facilities from banks, NBFCs and Financial Institutions. The Committee is also responsible for open, modify/close Fixed Deposit/Overdraft Facilities and also undertake other related matters/functions etc. which is necessary in the general course of business.

The Committee met 35 (thirty-five) times during Financial Year 2023-24.

The composition and details of the MOCB meetings held during the year under review are mentioned below.

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/ Independent Director/Member)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Tushar Aggarwal	17-08-2022	Managing Director	35	35	Nil
2.	Shruti Aggarwal	17-08-2022	Director	35	35	100

IV. Asset Liability Management Committee ('ALCO'):

The Committee will be responsible for review and ensure the assets and liability activities are appropriate to the minimum capitalization norms, solvency position and the liability and risk profile presented by the Business. It monitors the mismatch between Assets and Liabilities of the Company to ensure that it remains within acceptable tolerance.

Composition and Meetings of ALCO:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/ Independent Director/Member)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Tushar Aggarwal	17-08-2022	Managing Director	0	0	0
2.	Shruti Aggarwal	17-08-2022	Director	0	0	100
3.	Sneha Singh	17-08-2022	Member	0	0	0
4.	Pankaj Kumar	17-08-2022	Member	0	0	0

The Company has in place ALCO/Liquidity Risk Management Policy as required under RBI Master Directions.



V. Risk Management Committee ('RMC'):

The Committee is responsible for setting and overseeing the overall risk strategy and policy of the Company including its risk tolerance/appetite. The Committee also review the risk identification and processes developed by Management to confirm it is consistent with the Company's strategy and business plan.

Composition and Meetings of RMC:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/ Independent Director/Member)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Tushar Aggarwal	17-08-2022	Chairman (Managing Director)	0	0	0
2.	Shruti Aggarwal	17-08-2022	Director	0	0	100
3.	Radhakrishnan Ramachandrayyer	17-08-2022	Independent	0	0	0
4.	Varun Chhabra	17-08-2022	Member	0	0	0

The Company has in place the Risk Management Policy to manage, monitor and report on the risks and uncertainties that can impact its ability to achieve its strategic objectives. The process of identification, measurement of material risks, steering and influencing the risks identified, constant monitoring is followed.

The Board of Directors of the Company through the Risk Management Committee takes responsibility for the overall process of risk management in the organization. The Risk Management and Risk Controlling processes of the Company are compliant with Company's policies and ensure that all risks are identified, assessed, controlled, monitored and communicated.

VI. IT Strategy and Steering Committee ('ITSC'):

The Committee is responsible to approve the IT Strategy and policy documents and to ensure that the management has put an effective strategic planning process in place. It is responsible to monitor the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources. It ensures proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

Composition and Meetings of ITSC

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/	Number of Meetings of the Committee	No. of shares held in
---------	------------------	---------------------------	---------------------------	-------------------------------------	-----------------------

			Independent Director/Member)	Held	Attended	the Company
1.	Tushar Aggarwal	15-06-2024	Managing Director	0	0	0
2.	Shruti Aggarwal	15-06-2024	Director	0	0	100
3.	Vijay Jasuja	15-06-2024	Chairman and Independent Director	0	0	0
4.	Karan Talwar	15-06-2024	Member	0	0	0
5.	Sanjeev Walia	15-06-2024	Member	0	0	0

The Company has in place the Information Technology and Security Policy to provide management directions and support for IT in accordance with the business requirements, relevant laws and regulations. It ensures to maintain high-quality information to support business decisions and generate business value from IT-enabled investments, i.e. achieve strategic goals and realize business benefits through effective and innovative use of IT.

The Policy ensure to protect Organisation information assets from all types of threats whether internal or external, deliberate or accidental such that the Confidentiality, Integrity and Availability of information is maintained, and all applicable legal, regulatory, statutory and contractual obligations are met.

30. MANAGERIAL REMUNERATION

Provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company, it being a private limited company.

31. ISSUANCE OF NON-CONVERTIBLE DEBENTURES

During the period under review, your Company has raised Rs. 204.50 Crores through issuance of Secured, Rated, Redeemable Non-Convertible Debentures ('NCDs') on private placement basis to eligible investors, both Listed and Unlisted.

Your Company, being a Non-Banking Financial Company ('NBFCs') is exempted from requirement of creating Debenture Redemption Reserve (DRR) on privately placed debentures as prescribed under the Companies Act, 2013 and DRR has not been created by your Company.

Your Company has appointed below mentioned as the Debenture Trustees for the issuance of NCDs:

- A. Vardhman Trusteeship Private Limited
- B. Catalyst Trusteeship Limited
- C. Mitcon Credentia Trusteeship Services Ltd.
- D. Axis Trustee Services Limited
- E. Beacon Trusteeship Limited



32. CREDIT RATINGS

During period under review, your Company rating is stable and has been assigned and affirmed to be BBB Stable by ICRA Limited.

33. 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.

During the year under report, one CSR Meeting was held on 26/03/2024. CSR report is enclosed as Annexure III.

Composition and Meetings of CSR

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Tushar Aggarwal	Member	Chairman and Managing Director	1	1	0
2.	Shruti Aggarwal	Member	Director	1	1	100
3.	Radhakrishnan Ramachandra Iyer	Member	Independent Director	1	1	0
4.	Satish Chandra Sinha	Special Invitee	Member	1	1	0

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.

The CSR obligation of the Company for F.Y. 2023-24 is INR 63.47 Lakhs. As on 31 March 2024, total amount spent on CSR activities by Company is INR 63.47 Lakhs.

34. PARTICULARS OF EMPLOYEES

The Particulars of Employees covered under the provisions of Section 197 of Companies Act, 2013 read



with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

35. HOLDING COMPANY

In terms of the provisions of Section 2(46) and 2(87) (ii) of Companies Act, 2013, the Company is wholly owned subsidiary of Morus Technologies Pte. Ltd., Singapore.

36. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

During the year under review, your Company does not have any subsidiary, associate and joint venture Company. Hence, the requisite disclosure as per Section 129(3) of the Companies Act, 2013 in Form AOC-1 is not applicable.

37. 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	2023-24 (in lakhs)	2022-23 (in lakhs)
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	2632.42	1022.12

38. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has constituted the Internal Complaint Committee ('ICC') and implemented a Policy for Prevention of Sexual Harassment of Women at Workplace in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH') and Rules framed thereunder. The Company is committed to provide safe and conducive work environment to its employees.

Composition and Meetings of ICC



Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Presiding Officer/ Member / External Member)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Ms. Shruti Aggarwal	17-08-2022	Presiding Officer	1	1	100
2.	Mr. Varun Chhabra	17-08-2022	Member	1	1	0
3.	Ms. Dhamija	17-08-2022	External Member	1	1	0
4.	Mr. Sanjeev Walia	17-08-2022	Member	1	1	0
5.	Ms. Kanika Sikka	17-08-2022	Member	1	1	0

Internal Complaints Committee (ICC) as prescribed under POSH has been set up to redress complaints received regarding sexual harassment and comprises of below members.

1. Ms. Shruti Aggarwal- Director
2. Mr. Varun Chhabra- Vice President, Internal Audit
3. Ms. Dhamija – External Member
4. Mr. Sanjeev Walia – AVP, IT
5. Ms. Kanika Sikka – Legal - AVP

Following is the summary of sexual harassment complaints received and disposed-off during the financial year ended March 31, 2024.

- a. No. of Complaints received: Nil
- b. No. of Complaints disposed-off: Nil
- c. No. of cases pending: Nil

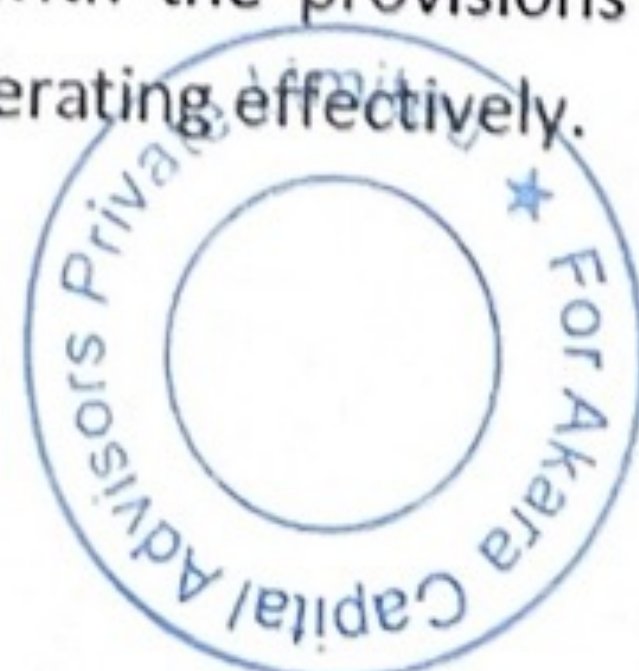
39. VIGIL MECHANISM / WHISTLE-BLOWER POLICY

The Company has in place Vigil Mechanism / Whistle-Blower Policy pursuant to the requirements of the section 177(9) of the Act. The Audit Committee reviews the functioning of the Policy on a _____ basis. The Policy enables directors and employees to report to the Management their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and leak or suspected leak of unpublished price sensitive information.

The Company believes in promoting a fair, transparent, ethical and professional work environment. Responsible and lawful conduct forms the fundamental basis for the trust.

40. STATEMENT ON COMPLIANCES WITH SECRETARIAL STANDARDS

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 the secretarial standards issued by the Institute of Company Secretaries of India.

41. 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.

42. 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 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.

43. COMPLIANCE WITH RBI GUIDELINES

You Company carries on its business of Non-Banking Financial Company as a Non-Deposit taking Company. Your Company appends the Statement containing particulars as required in terms of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as updated from time to time, and has complied with all applicable laws, rules, circulars and regulations issued by the Reserve Bank of India.

44. 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.

45. THE 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 are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

46. POLICIES AND PRACTICES

The Company has formulated all the policies which are mandatory as per applicable laws relevant to the Company. These policies are periodically reviewed by the Board.

47. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR: =

The Company has not made any application with Insolvency and Bankruptcy Code, 2016.

48. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not Applicable.

ACKNOWLEDGEMENTS

Your directors place on record their sincere thanks to Bankers, Business Associates, Consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review.



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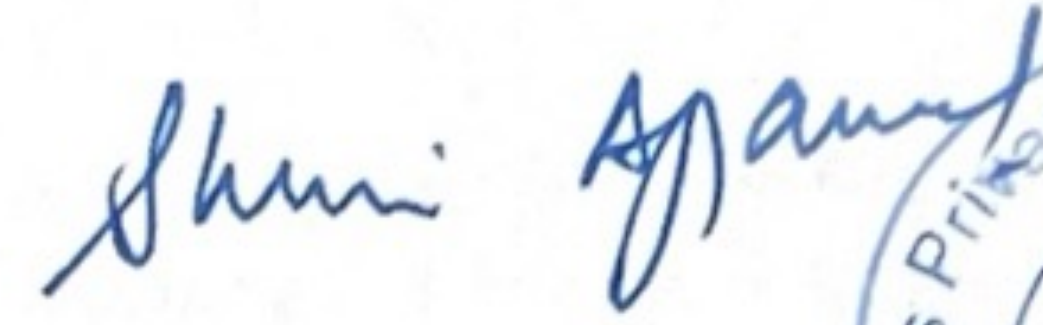
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Your Directors also acknowledges gratefully the Shareholders and Investors for their support and confidence reposed on your Company. We are sure your will join our directors in conveying our sincere appreciation to all the employees of the Company for their hard work and commitment.

By the Orders of Board of Directors
For Akara Capital Advisors Private Limited



Tushar Aggarwal
(Managing 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: September 24, 2024
Place: Gurugram, Haryana

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 Pvt. Ltd	Holding Company	1. Foreign Loan "received from Holding" Company (ECB)	Continuous	13,307.54	-	-
		2. Interest Payment on Foreign Loan		2,632.42		
		3. Amount received for Reimbursement incurred in PFY		-		
EQX Analytics Private Limited	Fellow subsidiary	1. Lead Generation Expenses	Continuous	6,401.30	-	



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	company	2. Loan Disbursement S and Collections through "Intermediary		-		
		3. Payment of Infra sharing Exp Payable of Previous FY"		33.61		
		4. Payment Towards Loan Disbursement and collection through intermediary of Previous FY		1,846.89		
		5. Infra Sharing Expenses Paid		35.37		
Titanium Fortune Financial Services	Fellow subsidiary		Continuous		-	-
		1. Loan Given		-		
Private Limited	company	2. Loan Payment Received Back		-		
		3. Interest Income on Loan Given		-		
		4. Loan Taken		782.04		
		5. Loan Repaid		782.04		
		6. Interest Payment on Loan Taken		8.24		
Shruti Aggarwal	Director	1. Managerial remuneration	Continuous	41.25	-	-
		2.Reimbursement Of Expenses		6.1		
Tushar Aggarwal	Managing Director	Managerial remuneration	Continuous	-	-	-
Radhakrishnan Ramachandra Iyer	Independent/ Non-executive director	1. Directors sitting fees	Continuous	13.13	-	-
		2.Reimbursement of Expenses		-		
Vijay Jasuja	Independent/ Non-Executive director	1. Directors sitting fees	Continuous	12.75	-	-
		2.Reimbursement Of Expenses		-		
Vijay	Independent/	Directors sitting fees	Continuous	12.75	-	-



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Ronjan	Non-Executive director					
Sonia Rakesh Thakur	Company Secretary	1. Managerial remuneration	Continuous	19.43	-	-
		2.Reimbursement Of expenses		0.04		
Pankaj Kumar	Cfo	Managerial remuneration	Continuous	15.41	-	-



ANNEXURE – II
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. AN OVERVIEW

This Management Discussion and Analysis Report (“MDAR”) forms a part of the Eighth Annual Report. The Reserve Bank of India Master Directions make it mandatory for Non-Banking Financial Companies – Middle Layer (“NBFC-ML”) to give a macro-economic view of the business activities of the Company in relation with the changing economic and business parameters.

Akara Capital Advisors Private Limited (“Akara Capital” or “the Company”) is Non-Banking Financial Companies – Middle Layer (“NBFC-ML”) and Non-Banking Financial Companies - Credit and Investment Company (“NBFC-ICC”) registered with the Reserve Bank of India (RBI). It is engaged in the business of lending activities.

Non-Banking Financial Companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the various segments of society, especially to the urban areas, which form the cradle of entrepreneurship and innovation.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

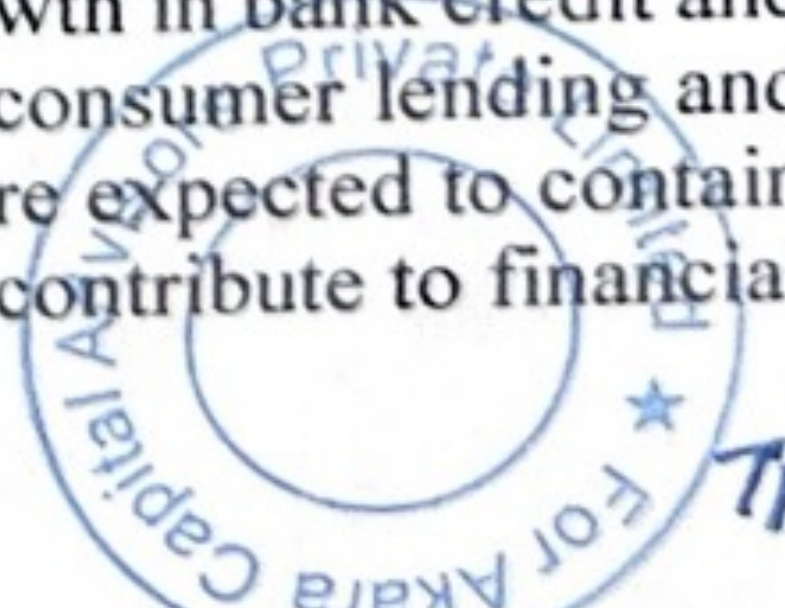
India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises of commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities.

The global economy is exhibiting resilience and fortitude. There are, however, multiple challenges emanating from still elevated inflation, tight monetary and financial conditions, escalating geopolitical tensions, rising geo-economic fragmentation, disruptions in key global shipping routes, high public debt burdens and financial stability risks. Global financial markets are on edge, with recurrent bouts of volatility as every incoming data increase uncertainty around monetary policy trajectories of major central banks.

Amidst global challenges, Indian economy exhibited robust growth in 2023-24, underpinned by strong investment activity, amidst subdued external demand. Manufacturing and services sectors were the key drivers on the supply side while agricultural activity slowed down due to uneven and deficient monsoon rainfall. The growth outlook remains buoyant, given the governments sustained focus on capital expenditure while maintaining fiscal consolidation. Strong corporate balance sheets, rising capacity utilisation, double digit credit growth, healthy financial sector, and the ongoing disinflation are likely to be other growth levers. Indian economy boasted an impressive growth rate of 7.8% in the 2023-24 fiscal year (FY) and exceeded the average G20 rate of 3.4%.

Indian stock markets have generated an impressive performance during the FY 2023-24. The Nifty 50 index delivered a substantial return of 29 percent in FY 24. According to the data shared by the National Stock Exchange (NSE), the growth of the Indian markets has marked the eighth consecutive year of positive returns. Notably, the last instance of negative returns in the Indian market dates back to 2015, highlighting the consistent upward trajectory of Indian equities.

Capital and asset quality of banks and NBFCs remain healthy, supporting the growth in bank credit and domestic activity. Pre-emptive regulatory measures aimed at curbing excessive consumer lending and bank lending to NBFCs, and investments in alternate investment funds (AIFs) are expected to contain the build-up of potential stress in balance sheets of financial intermediaries and contribute to financial

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stability. While domestic banks and NBFCs have exhibited the interest rate risk, banks may have to address both trading and banking book risks. Accordingly, the RBI is striving to make its regulations more principle based, activity-oriented and proportionate to the scale of systemic risk, rather than entity-oriented.

3. OPPORTUNITIES AND THREATS

The RBI has been continually strengthening the supervisory framework for NBFCs in order to ensure sound and healthy functioning and avoid excessive risk taking. It has issued several new guidelines in the recent past.

The uncertainties and volatility in the financial market are a continuing threat to the organizational performance. However, the twin features of foresightedness and focused analysis of the market have challenged the threat of adverse performance

OPPORTUNITIES

- ❖ Enhance/use of digital solutions for business/collections.
- ❖ Onboarding the customers through Technology Platform.
- ❖ Targeting large white space in Retail Financing of catering to Tier – 1 and Tier – 2 Cities.
- ❖ Large untapped rural and urban markets.

THREATS

- ❖ Increased competition across the Company's product segments from captive finance companies.
- ❖ High cost of funds.
- ❖ Rising Non-Performing Assets (NPAs).

4. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company has only one business segment "Financing" so there is no segment wise or product wise performance available.

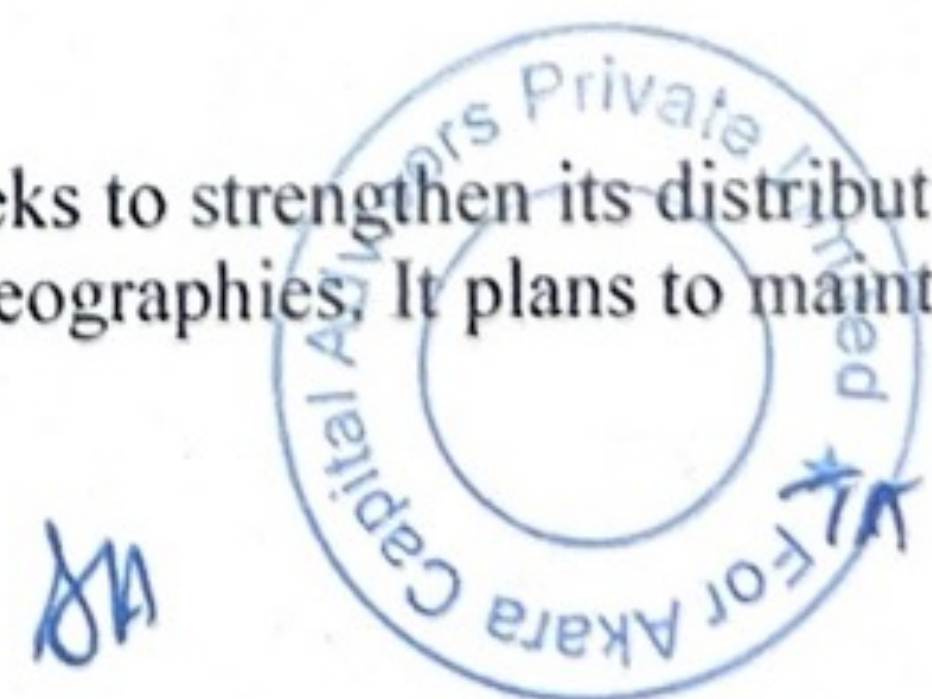
Akara Capital only offers personal loans to salaried customers. FY 2024 also witnessed an overhaul of loan origination systems, underwriting processes, and loan booking mechanisms, aimed at bolstering efficiencies and augmenting customer satisfaction.

5. OUTLOOK

NBFCs are becoming increasingly important players in the financial sector, as they cater to the needs of previously overlooked or underserved segments of the population. Their market share and product range are expected to expand as they target this vast and growing segment. Digital tools and technology are already being used by NBFCs to enhance their efficiency and customer outreach, and their clients will continue to use their services as they rise in economic status, provided they have positive experiences and are offered suitable products.

In this dynamic landscape, Akara Capital has a clear path forward in terms of its approach to asset creation and liability management. It plans to continue serving the Tier – 1 and Tier - 2 class of customers in, focusing on retail loan as key growth drivers. The Company intends to prioritize asset quality and profitability to enhance shareholder value.

To achieve this growth and maintain healthy returns, Akara Capital seeks to strengthen its distribution network in existing states and explore potential opportunities in new geographies. It plans to maintain



an ideal debt resource mix and ensure continuous flow of funds while optimizing the use of capital. The Company also prioritizes operational excellence and is committed to learning and improving efficiency in all areas of operation.

6. RISKS AND CONCERNS

Risks are an inherent feature of any business that can negatively impact the growth of the Company if not handled properly. The risk management techniques and processes enable early identification of problematic loans. These include data-driven automated decisioning systems, early default analysis, product analysis, robust monitoring and reporting systems. The company works with strong analytical data to leverage areas of opportunity in a highly competitive industry scenario. Company has always been on the forefront to provide digital solutions to enhance the customer experience throughout the customer loan lifecycle.

As a lending entity, the Company is exposed to various risks such as credit risk, market risk, liquidity risk, legal risks, interest rate risk, fraud risk, compliance risk, cyber security risk, reputational risk and operational risk. The Company is conscious of these factors and places emphasis on risk management practices to ensure an appropriate balance between risks and returns.

The Company's Risk Management Committee is committed towards identifying various risks that can impact its business and undertakes necessary actions to mitigate them. The key objective of the Risk management committee is to help the Board in fulfilling its corporate governance oversight responsibilities about the identification, evaluation and mitigation of strategic, operational, and external environment risks. To ensure an effective risk governance structure, company has defined a robust risk framework under which different functions act as first line of defence, RMC along with Compliance will act as second line of defence, and internal audit will be third line of defence. Risk management committee works very closely with different departments to ensure regular monitoring of the key risk indicators and their impact on portfolio health.

Some of the risks identified by the Company includes:

- (i) Interest Rate Risk
- (ii) Credit Risk
- (iii) Market Risk
- (iv) Operational Risk
- (v) Liquidity Risk
- (vi) Fraud Risk
- (vii) Compliance Risk
- (viii) Reputational Risk
- (ix) Legal Risk

Risk Management Process:

The risk management system is forming an integral part of all major functions within the Company which includes the following key elements:

- ❖ A strategy that is driven by objectives and principles.



- ❖ Assignment of responsibilities.
- ❖ Risk management framework approach and reporting cycle to identify, assess, mitigate, monitor and report the risks that the Company is or may be exposed to.
- ❖ A combination of 'top down' and 'bottom up' approach to risk assessment and management process.
- ❖ A risk monitoring plan that outlines the review, challenge and oversight activities.
- ❖ Developing risk appetite statements with the strategic planning process, then monitoring and reporting on these statements.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of internal controls to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition of assets and that the transactions are recorded and reported. Also, adequate internal financial controls system over financial reporting. The Company has a internal auditors to conduct internal audit.

The internal audit adopts a risk-based audit approach and conducts regular audits on a continuous basis, the adequacy and effectiveness of the internal control mechanism, adherence to the policies and procedures of the Company as well as the regulatory and legal requirements.

The reports are reviewed by the Audit Committee of the Board. Wherever necessary, internal control systems are strengthened, and corrective actions initiated.

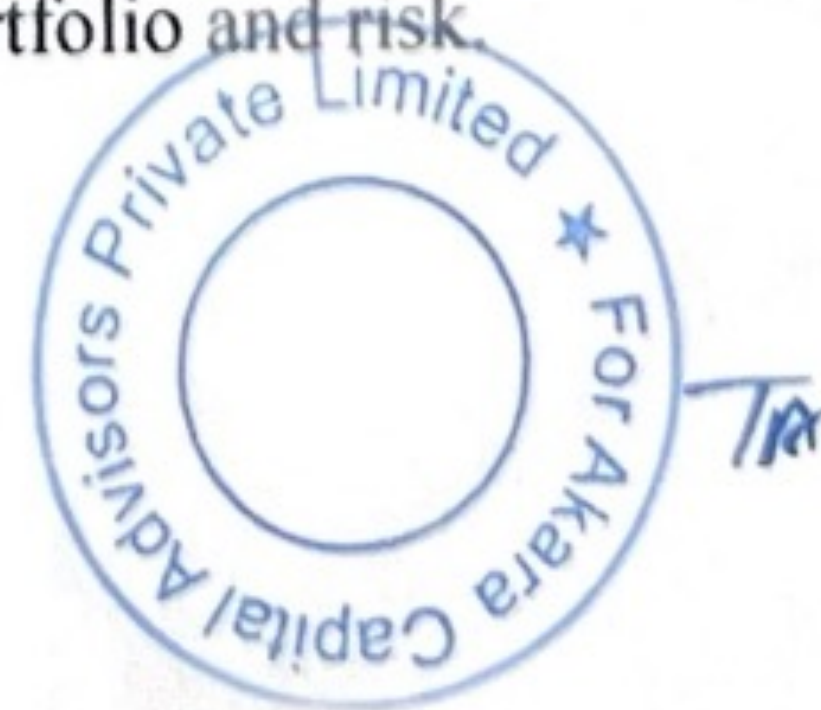
8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Net Revenue from the operations of your Company is INR 80,692.48 Lakhs. The Net Profit for the year under review has been INR 6,882.12 Lakhs as against Net Profit of INR 780.50 Lakhs during the previous year. The company has a target to moderately grow the business portfolio with key focus maintaining optimum credit portfolio.

The total assets size of the Company INR 1,53,046.43 Lakhs for the year ended on March 31, 2024 as compared to INR 1,43,351.37 Lakhs in the last financial year ended on March 31, 2023.

Financial and Operational Performance

1. Overall disbursement has gone up by 77% YoY at INR 5076+ crores as on FY24.
2. AUM of the company increased by 26% at INR 1839+ crores as on FY24.
3. Disbursed more than INR 69 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 958 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. We continue to have diversify borrowing profile in FY 2023-24 by raising funds through various product category like listed NCD, Commercial Paper, Term loan from NBFC, Banking terms loan and ECBs.
6. PAT stood at INR 68.82 crore in FY24 increasing from INR 7.81 crore in FY23 on YOY basis.
7. Capital Adequacy stood at 31.44% with Debt to Equity standing at 1.5x.
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. Akara continues to be rated in investment category with rating of ICRA BBB with stable outlook.
10. We issued Listed Non-Convertible Debentures on BSE for the first time on December 31, 2022. In FY 23-24, Company raised funds through listed and unlisted NCDs to tune of INR 139.5 crores and INR 65 crores respectively.

9. **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

Human Resources Management (HRM) is an integral part of the business strategy and an important line responsibility. The company conducts its diversified activities through business units.

We firmly believe that people are our greatest asset, and we adopt best-in-class practices, inclusive policies & offer unique health and fitness benefits to ensure a safe & secure ecosystem for diverse cohorts of employees at the workplace.

The main objective of Company HR policy is to create a winning match between individual needs and organizational demands. The company continuously aims to have the right person, with the right experience, at the right time, in the right place, offering the right compensation. The company fosters leadership, individual accountability and teamwork. The employees are professionals whose entrepreneurial behaviour is result-oriented and guided by personal integrity. They strive for the success of their own units, in the interest of the whole of the Company.

The employees have been entrusted with interesting work assignments and can count further on opportunities for individual and professional development. The Company values innovation and its reward structure supports these Value behaviours of Passion, Team Building, Entrepreneurship & Excellence.

The Company has grown over last year and has to its Human resources added quality competence.



Key Initiatives taken during the Year:

- I. **Transparent goal-setting process:** Functional heads developed their Annual Operating Plans (AOPs) and manage departmental budgets based on these plans. These AOPs were then cascaded into individual goals with clearly defined KPIs, ensuring complete transparency in performance assessment and evaluation. The HR function played a critical role by ensuring that each new joiner was fully aware of the expectations from them, aligned with their manager from the moment of onboarding, thereby reducing the risk of disengagement and ambiguity in job roles.
- II. **Communication forums such as Townhalls and Leadership sessions:** These initiatives ensured that all employees, across all functions, were informed about key developments within the firm. Efforts were made to communicate the organization's vision, mission, and values without any hierarchical or positional barriers. Every employee shared a unified goal and was encouraged to contribute meaningfully towards achieving it.
- III. **Strengthening the leadership team and talent pool:** Throughout the year, the organization underwent structural changes, resulting in the creation of several new leadership positions. To fill these roles, top talent was recruited from leading companies across the industry, significantly enriching the firm's knowledge base. These leaders were then empowered to build their own teams, ensuring full alignment within their functions, fostering trust, and establishing mutual consensus from day one.
- IV. **Workplace wellness initiatives:** Regular health check-up camps, counselling programs, and annual health assessments were organized to address well-being concerns and promote an inclusive work culture.

10. CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

For and on behalf of the Board of Directors

Akara Capital Advisors Private Limited



Tushar Aggarwal
(Managing Director)

DIN: 01587360

Address: 6A/2, Raj Narain Road
Civil Lines, New Delhi – 110054



Date: 24-09-2024

Place: Gurugram, Haryana

Annexure III
ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL
YEAR 2023-24

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	1	1
2.	Ms. Shruti Aggarwal	Member	1	1
3.	Mr. Radhakrishnan Iyer	Member	1	1

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

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. 31,73,26,511/-

7.	(a) Two percent of average net profit of the company as per section 135(5):	Rs. 63,46,530/-
	(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. 63,46,530/-



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. 63,46,600/- (In lakhs)	NIL	NIL	-	-	-

(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. 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		Project Duration	Amount Allocated for the Projects (in Lakhs)	Amount spent in current FY (in Lakhs)	Total Amount transferred to Unspent CSR Account for the projects as per section 135(6)	Mode of Implementation Direct (yes/no)	Mode of Implementation- Through Implementation Agency	
				State	District						Name	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		Amount spent for the project (in Lakhs)	Mode of Implementation Direct (yes/no)	Mode of Implementation- Through Implementation Agency	
				State	District			State	District
1	Ananta Aspen Centre New Delhi	Promoting Education	Yes	New Delhi		8,00,000	No	Ananta Aspen Centre - New Delhi	



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2	Sansthanam Abhay Daanam	Mentoring and Coaching of Young Women Leaders	Y	-	50,46,600	No	Sansthanam Abhay Daanam
3	Nai soch Nai Pehal	Academic support centres for basic education of poor kids	Yes	-	5,00,000	No	-

(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	Nil
(f) Total amount spent for Financial Year (8b+8c+8d+8e)	Rs. 63,46,600/-

(g) Excess amount for set off, if any.

S. no	Particular	Amount (in Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	Rs. 31,73,26,511/-
ii	Total amount spent for the Financial Year	Rs. 63.46/- (In lakhs)
iii	Excess amount spent for the financial year ((ii)-(i))	NIL
iv	Surplus arising out of the CSR projects or programmes or activities of the previous Nil financial years, if any	NIL
v	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:

S.no.	Preceding Financial Year	Total Amount transferred to Unspent CSR Account for the projects	Amount spent in reporting FY (in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any	Amount remaining to be spent in succeeding Financial



		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


Tushar Aggarwal
(Managing 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: 24th September, 2024
Place: Gurugram



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>1. Impairment of financial assets (Expected Credit Losses)</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>Data inputs - 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>Model estimations – 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">• 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.• 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.• Tested the arithmetic accuracy of computation of ECL provisions performed by the company in spreadsheets.• Recoveries in the loan assets are verified to ascertain level of stress thereon and impact on impairment allowance in financial statements.• Assessed the disclosures made in relation to the ECL allowance to confirm compliance with the Ind AS provisions. <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>2. Fair valuation of Derivative Financial Instruments</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 31st 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: 29th 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 31st 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 10th 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: 29th 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: 29th May 2024

UDIN: 24016520BKFEF9429

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
ASSETS				
Financial Assets				
Cash and cash equivalents	2	2,116.15	17,737.13	5,438.15
Bank balances other than cash and cash equivalents	3	1,670.11	10,974.70	219.81
Receivable	4			
-Trade Receivable		-	3,294.07	2,324.31
-Other Receivables		664.09	1,167.62	1,310.62
Loans	5	1,42,052.21	1,06,942.56	51,516.27
Investments	6	-	82.04	-
Other financial assets	7	2,957.89	1,467.72	1,677.84
Total Financial Assets		1,49,460.43	1,41,665.84	62,487.01
Non-financial assets				
Deferred tax assets (net)	8	2,609.29	-	41.52
Property, Plant and Equipments	9(a)			0.13
Right-of Use Assets	9(b)	12.86	-	-
Intangible assets under development	9(c)	12.50	49.87	34.99
Intangible assets	9(d)	872.15	1,503.49	589.56
Other non-financial assets	10	79.20	132.17	142.66
Total Non-Financial Assets		3,586.00	1,685.53	808.86
TOTAL ASSETS		1,53,046.43	1,43,351.37	63,295.87
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Derivative financial instruments	11	86.11		
Trade Payables	12			
(I) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises		70.51	39.68	71.50
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,057.77	473.98	172.08
(II) 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	17,390.17	32,482.13	6,000.00
Borrowings (other than Debt Securities)	14	70,132.31	66,236.50	27,741.99
Other financial liabilities	15	1,446.57	1,265.84	921.08
		90,183.44	1,00,498.12	34,906.65
Non financial liabilities				
Current tax liabilities (net)	16	3033.32	1062.39	171.46
Provisions	17	552.83	360.65	122.38
Deferred tax liabilities (net)	8	-	290.37	-
Other Non-financial liabilities		-	-	-
		3,586.15	1,713.41	293.84
Equity				
Equity share capital	18	31,599.40	27,055.93	21,119.05
Other equity	19	27,677.44	14,083.90	6,976.32
TOTAL EQUITY		59,276.84	41,139.83	28,095.38
TOTAL LIABILITIES & EQUITY		1,53,046.43	1,43,351.37	63,295.87
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 Serva Associates
 Chartered Accountants
 ICAI Firm Registration No: 000272N

CA Surendar Kumar Jain
 Partner
 Membership No. 016520
 Place: New Delhi
 Date: 29-05-2024



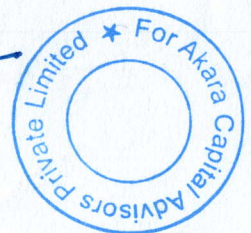
For and on behalf of the Board of Directors of
 Akara Capital Advisors Private Limited

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: 06867269
 Place: New Delhi
 Date: 29-05-2024

Pankaj Kumar
 (Chief Financial Officer)
 Place: New Delhi
 Date: 29-05-2024



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
Revenue from operations			
Interest Income	20	64,146.60	18,914.91
Fees and commission Income	21	14,316.44	2,641.61
Total revenue from operations		78,463.04	21,556.52
Other Income	22	2229.45	135.77
Total Income		80,692.48	21,692.29
Expenses			
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	4,718.56
Employee Benefits Expense	26	3,529.98	2,487.10
Depreciation, amortization and impairment	27	1,047.07	223.34
Other expenses	28	11,264.10	4,465.41
Total Expenses		73,480.54	19,517.50
Profit before tax		7,211.95	2,174.79
Tax Expense:			
(1) Current Tax	29		
a) Pertaining to profit for the current period		3,218.31	1,062.39
b) Adjustment of tax relating to earlier periods		11.17	
(2) Deferred Tax		(2,899.66)	331.90
Total of Tax Expense		329.83	1,394.29
Profit for the year		6,882.12	780.50
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit obligation		(15.68)	4.07
Income Tax Effect		3.95	(1.02)
Other Comprehensive Income , net of income tax		(11.74)	3.05
Total Comprehensive Income for the year		6,870.39	783.54
Earnings per equity share	30		
Basic (Rs.)		2.40	0.33
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 Serva Associates
 Chartered Accountants
 ICAI Firm Registration No: 000272N

For and on behalf of the Board of Directors of
 Akara Capital Advisors Private Limited

CA Surendar Kumar Jain
 Partner
 Membership No. 016520
 Place: New Delhi
 Date: 29-05-2024



Tushar Aggarwal
 Tushar Aggarwal
 (Managing Director)
 DIN: 01587360
 Place: New Delhi
 Date: 29-05-2024

Shruti Aggarwal
 Shruti Aggarwal
 (Director)
 DIN: 06867269
 Place: New Delhi
 Date: 29-05-2024

Ashish Singh
 Ashish Singh
 (Company Secretary)
 Membership No: A27334
 Place: New Delhi
 Date: 29-05-2024

Pankaj Kumar
 Pankaj Kumar
 (Chief Financial Officer)
 Place: New Delhi
 Date: 29-05-2024



Akara 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)
A Cash flow from operating activities		
Profit before Income Tax	7,211.95	2,174.79
Profit before Income Tax	7,211.95	2,174.79
Adjustment for:		
Depreciation and amortization expense	1,047.07	223.34
Interest Received on FDR's	(221.78)	(241.27)
(Profit)/Loss on sale of investments	(1.89)	(30.37)
Fair value (Gain)/ Loss on financial instruments	86.11	-
Impairment Allowance on Loans	42,568.19	4,718.56
Share Based Payments/Employee Stock Option	2,179.69	1,806.90
Finance Cost	14,985.09	7,623.09
Operating (Loss)/Profit before working capital changes	67,854.42	16,275.04
Working capital adjustments:		
(Increase) / Decrease in Trade Receivables	3,294.07	(969.76)
(Increase) / Decrease in loans	(35,109.65)	(60,506.32)
(Increase) / Decrease in Other financial Assets	(986.63)	7,595.71
(Increase) / Decrease in Other Non Financial Assets	52.97	(500.87)
Increase / (decrease) in Trade Payables	614.63	270.07
Increase / (decrease) in Other Financial liabilities	266.84	(252.21)
Increase / (decrease) in Other Non Financial liabilities	1,970.93	(889.26)
Increase / (decrease) in Provisions	192.18	238.51
Cash (used in)/generated from Operations	38,149.75	(38,739.10)
Direct taxes paid (net of refund)	(3,229.48)	(1,062.39)
Net cash flows (used in)/generated from Operating activities (A)	34,920.26	(39,801.49)
B Cash flow from Investing activities:		
(Purchase) / sale of Property, plant and equipment and intangible assets	655.85	(929.10)
Proceeds / (investment) in investment	83.93	31.13
Net cash flows used in Investing activities (B)	739.78	(897.97)
C Cash flow from Financing activities:		
Increase / (Decrease) of Borrowings	(50,534.96)	64,975.66
Finance costs paid	(14,580.40)	(7,158.32)
Interest and principal payment of lease liabilities	(13.73)	-
Proceeds from Issue of Share Capital	4,543.47	5,935.98
Net cash flow from/(used in) Financing activities (C)	(60,585.63)	63,753.32
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(24,925.59)	23,053.87
E Cash & cash equivalents as at the beginning of the period	28,711.84	5,657.97
Cash & cash equivalents as at the end of the period (D+E)	3,786.25	28,711.84
Cash and cash equivalents comprises:		
Cash & cash equivalents as at the end of the period	3,786.25	28,711.84
Total cash and cash equivalents	3,786.25	28,711.84

The accompanying notes are integral part of financial statements.

Note:-

- Cash flow statement has been prepared under indirect method as set out in the IND AS 7 "Cash Flow Statement".
- Previous year figures have been regrouped/ reclassified wherever applicable.

As per our report of even date

For Serva Associates
Chartered Accountants
ICAI Firm Registration No: 000272N

CA Surendar Kumar Jain
Partner
Membership No. 016520
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

Shruti Aggarwal
(Director)
DIN: 06867269
Place: New Delhi
Date: 29-05-2024

Ashish Singh
(Company Secretary)
Membership No: A27334
Place: New Delhi
Date: 29-05-2024

Pankaj 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	27,05,59,331	27,055.93
Changes in equity share capital during the year	4,54,34,667	4,543.47
Balance as at March 31, 2024	31,59,93,998	31,599.40

B. Other equity

	Reserve and Surplus			Other Comprehensive	Total
	Securities premium	Statutory Reserve	Share based payment reserve	Income	
Balance as at 1 April 2022	6,034.67	195.72	-	7.18	6,976.32
Restatement due to retrospective change in accounting policy			2,049.42	(2,049.42)	
Restated Balance as at 1 April 2022	6,034.67	195.72	2,049.42	(1,310.66)	780.51
Profit for the year				780.51	780.51
Other comprehensive income for the year				3.04	3.04
Total comprehensive income for the year	-	-	-	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*	-	659.62		(659.62)	-
Balance as at March 31, 2023	10,551.80	855.34	3,856.32	(1,189.77)	14,083.90
Balance as at 1 April 2023	10,551.80	855.34	3,856.32	(1,189.77)	14,083.90
Profit for the year				6,882.12	6,882.12
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			2,179.69		2,179.69
Transfer to statutory reserve*	-	1,376.42		(1,376.42)	-
Balance as at March 31, 2024	15,095.27	2,231.77	6,036.00	(4,315.92)	27,677.44

As per our report of even date

For Serva Associates
 Chartered Accountants
 ICAI Firm Registration No: 000272N

CA Surendar Kumar Jain
 Partner
 Membership No. 016520
 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: 06867269
 Place: New Delhi
 Date: 29-05-2024

Pankaj Kumar
 (Chief Financial Officer)
 Place: New Delhi
 Date: 29-05-2024



Akara Capital Advisors Private Limited
Significant Accounting Policies
(All amount 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 Kotla Mubarakpur, Delhi-110003. The company is 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. 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. 31,599.3998 Lakhs divided into 31,59,93,098 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. 31,59,92,998 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 Sec. 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 hitherto in use .

In accordance with compliance with Ind AS 1, as the company has retrospectively amended the accounting policy w.r.t 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 statement 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 III 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 50(E)-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 recognised 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 event 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 decimals thereof 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 recognised 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 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.

(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 deterioration 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 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.



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Akara Capital Advisors Private Limited
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(iii) Non recognition of Interest Income on Credit Impaired Loans - Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, the same is recognised on actual realisation basis.

(iv) Materiality of Prior Period item- 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.

(B) 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 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.

(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.

(iii) 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, maximising the use of relevant observable inputs and minimising 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 exercisable price quotes available on 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 estimating 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.

(iv) Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

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.

(v) Expected Credit Loss (ECL) – The measurement of an expected credit loss allowance for financial assets measured at amortized 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 judgments 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 default) .

(vi) 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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4) 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 II 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 II for calculating the depreciation.

De-recognition- An item of PPE is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from de-recognition of a PPE measured as the difference between the net disposal proceeds and the Carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

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 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).

The company does not possess any Tangible Assets as on 31st March 2024 except ROU 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 capitalization criteria are met and any cost directly attributable in 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 no possess any CWIP 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 recognized 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 recognized at cost model. These intangible assets are carried subsequently at its cost less accumulated amortization and accumulated impairment loss 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.

Estimated Useful Life- 5 years

Derecognition- An intangible asset is derecognized on disposal, or when no future economic benefits are expected from 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 intangibles 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 recognizes 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 recognizes 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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Lease liabilities-At the commencement date of the lease, the Company recognizes 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 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.

(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 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 recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets-Contingent Assets are not recognized 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 balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative 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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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 intend to settle current 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.

(xi) 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 on an accrual basis 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 benefit 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 (excluding 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 occur. Remeasurement are not reclassified to profit or loss in subsequent periods.

Compensated Absences – 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. 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. Re-measurement 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 'ESOP 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.

(xii) Financial Instruments

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 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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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 instruments 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 a group of financial assets is impaired.

Amortised Cost-

Loans (financial asset) 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 within 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. (FVTPL)

De-recognition 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 the 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 de-recognition.

De-recognition 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 de-recognition 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.

(xiii) 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 (>90 days)

The Expected Credit Loss (ECL) is measured at lifetime ECL

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.

(xiv) 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 recognised 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.

(xv) Fair Value Measurement and Disclosure



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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.

(xvi) 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.

(xvii) 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 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. Fees and Other revenue collected from customers is recognised 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 5104.43 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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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)

2 Cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
Particulars		
Cash and cash equivalents		
Cash-in-hand	0.30	0.30
Balance with banks		
In Current accounts		
Bank Accounts	1,774.74	13,636.81
Deposits with original maturity of 3 months or less*	326.39	4,085.34
Accrued interest on fixed deposits	14.72	14.67
Total	2,116.15	17,737.13

*This includes deposit of Nil Lakhs (31 March 2023 INR 436.31 Lakhs) pledged with Banks, Financial Institutions and NBFCs

3 Bank balances other than cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
Particulars		
Deposit with original maturity of more than 3 months less than 12 months**	1,670.11	10,974.70
Total	1,670.11	10,974.70

**This includes deposit of INR 1,652.18 Lakhs (31 March 2023 INR 1852.74 Lakhs) pledged with Banks, Financial Institutions and NBFCs

4 Receivables	As at March 31, 2024	As at March 31, 2023
Particulars		
Trade Receivable	-	3,294.07
Other Receivables	664.09	1,167.62
Total	664.09	4,461.68

Trade receivable ageing schedule for the year ending March 31, 2024 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	-	-	-	-	-	-
(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						-
(ii) Undisputed trade receivables – considered good- Unsecured	3,294.07	-	-	-	-	3,294.07
(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)

5 Loans

At amortised cost	As at March 31, 2024	As at March 31, 2023
Term Loan	1,47,128.75	1,12,394.25
Housing Loan	-	-
Corporate loan	-	-
Total (A) Gross	1,47,128.75	1,12,394.25
Less: Impairment loss allowance on Loans	9,749.78	4,745.43
Interest Accrued on Loans	5,104.43	838.12
Less: Impairment loss allowance on Accrued Interest	431.19	-
Less: Revenue Received in advance	-	1,544.39
Total (B) Net	1,42,052.21	1,06,942.56
Secured by tangible assets (Hypothecation of equitable mortgage of immovable property etc.)	-	-
Covered by Bank/Government Guarantees	-	-
Unsecured	1,47,128.75	1,12,394.25
Total (B) Gross	1,47,128.75	1,12,394.25
Less: Impairment loss allowance	9,749.78	4,745.43
Less: Revenue Received in advance	-	1,544.39
Total (B) Net	1,37,378.97	1,06,104.44
Loans in India		
Public Sector	-	-
Others	1,47,128.75	1,12,394.25
Total (C) Gross	1,47,128.75	1,12,394.25
Less: Impairment loss allowance	9,749.78	4,745.43
Less: Revenue Received in advance	-	1,544.39
Total (C-I) Net	1,37,378.97	1,06,104.44
Loans outside India		
Less: Impairment loss allowance	-	-
Total (C-II) Net	-	-
Total (C-I) and (C-II)	1,37,378.97	1,06,104.44
Loans Given to Directors		
Loans Given to Directors (Refer Nonte No 36 for related party disclosure)	-	-

5.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 ECL allowances are set out in Note 4 (xii).

	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	1,22,947.61	-	-	1,22,947.61	93,903.90	-	-	93,903.90
Standard Grade	-	16,858.28	-	16,858.28	-	8,722.92	-	8,722.92
Non Performing								
Individually Impaired*	-	-	7,322.87	7,322.87	-	-	9,767.43	9,767.43
	1,22,947.61	16,858.28	7,322.87	1,47,128.75	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)

- 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 counterparties.
- ii) Loans sanctioned but un-disbursed amount is **Rs. 91,562.73 lakhs as on March 31, 2024 (2023- Rs. 83,224.77 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 cure

The Company considers a financial instrument as defaulted and classifies 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 internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects 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 realised 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 an 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 went into the denominator of the LGD calculation. LGD computation has been done for each segment and sub-segment separately.

- Significant increase in credit risk

Company considers a financial instrument defaulted, classified as Stage 3 (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 SICR criterion. 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 homogenous 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
	Amortised Cost	Through other comprehensive income	Through profit or loss	Others	
As at March 31, 2024					
Investment in Pass through Certificate (PTC)	-	-	-	-	-
Debt securities	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Total (A)	-	-	-	-	-
Investments outside India	-	-	-	-	-
Investments in India	-	-	-	-	-
Total (B)	-	-	-	-	-
Total (A) to tally with (B)	-	-	-	-	-
Less: Allowance for Impairment loss (C)*	-	-	-	-	-
Total Net D = (A) -(C)	-	-	-	-	-
As at March 31, 2023					
Investment in Pass through Certificate (PTC)	82.04	-	-	-	82.04
Credit substitutes	-	-	-	-	-
Total (A)	82.04	-	-	-	82.04
Investments outside India	-	-	-	-	-
Investments in India	82.04	-	-	-	82.04
Total (B)	82.04	-	-	-	82.04
Total (A) to tally with (B)	82.04	-	-	-	82.04
Less: Allowance for Impairment loss (C)*	-	-	-	-	-
Total Net D = (A) -(C)	82.04	-	-	-	82.04

Note:- Also refer Note-50C

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		285.67
FLDG Recoverable	2,884.18	
Amount Recoverable from Lender	23.48	3.66
Advance to supplier	4.89	35.93
TDS Receivable		445.73
Total	2,957.89	1,467.72

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
Gross deferred tax liability	100.21	864.13
Deferred tax asset		
Provision for Expenses		40.00
Expected credit loss (ECL)	2,562.55	1,081.77
Provision for employee benefits	11.07	32.73
Intangible Assets	114.21	
Derivative Financial Instruments	21.67	
Gross deferred tax asset	2,709.50	1,154.50
Net Deferred Tax Asset/(Liability)	2,609.29	(290.37)

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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(a) Property, Plant and Equipment

	Office equipment	Computers	Total
Cost			
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	-	-	-
Accumulated Depreciation			
At April 01, 2022	0.40	2.00	2.40
Charge for the year	-	-	-
Disposals	(0.40)	(2.00)	(2.40)
At March 31, 2023	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
At March 31, 2024	-	-	-
Net Book Value			
At March 31, 2023	-	-	-
At March 31, 2024	-	-	-

9(b) Right to use Assets

Particulars	Vehicles	Total
Cost		
At April 01, 2022	-	-
Additions	-	-
Disposals	-	-
At March 31, 2023	-	-
Additions	19.29	19.29
Disposals	-	-
At March 31, 2024	19.29	19.29
Accumulated Amortization		
At April 01, 2022	-	-
Additions	-	-
Disposals	-	-
At March 31, 2023	-	-
Additions	6.43	6.43
Disposals	-	-
At March 31, 2024	6.43	6.43
Net Book Value		
At March 31, 2023	-	-
At March 31, 2024	12.86	12.86

9(c) Intangible assets under development:

	Software	Total
Gross block		
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



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	1,200.81	1,200.81
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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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)

10 Other non- financial assets

Particulars	As at	
	March 31, 2024	March 31, 2023
Prepaid Expenses	79.20	132.17
Total	79.20	132.17

11 Derivative financial instruments

The Company enters into derivative contracts for hedging Foreign Exchange. Derivative transactions include forward contract to hedge the liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Notional Amount	Fair Value- Liabilities	Notional Amount	Fair Value- Liabilities
Part-I				
Currency Derivatives:				
Foreign exchange forward contract	8,319.50	86.11	-	-
Total Derivative Financial Instruments	8,319.50	86.11	-	-

Particulars	As at March 31, 2024		As at March 31, 2023	
	Notional Amount	Fair Value- Liabilities	Notional Amount	Fair Value- Liabilities
Part-II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:-				
Cash flow Hedging:				
Foreign exchange forward contract	8,319.50	86.11	-	-
Total Derivative Financial Instruments	8,319.50	86.11	-	-

12 Trade Payables

Particulars	As at	
	March 31, 2024	March 31, 2023
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises	70.51	39.68
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,057.77	473.98
Total	1,128.28	513.65

Trade Payable ageing schedule as on March 31, 2024

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	70.51				70.51
(ii) Others	1,051.44	0.48			1,051.92
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	5.85	5.85
	1,121.95	0.48	-	5.85	1,128.28

Trade Payable ageing 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	467.67	0.45			468.12
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	5.85	-	5.85
	507.25	0.55	5.85	-	513.65

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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

At amortised cost	As at March 31, 2024	As at March 31, 2023
Secured *		
Non-convertible debentures	17,469.92	32,309.60
Total gross (A)	17,469.92	32,309.60
Add: Accrued Interest	36.49	172.53
Less: Unamortised Borrowing Cost	(116.23)	
Total Net (A)	17,390.17	32,482.13
Debt securities in India	17,390.17	32,482.13
Debt securities outside India	-	-
Total (B)	17,390.17	32,482.13

* 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
Listed NCDs					
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
Subtotal (A)				7,864.17	11,200.00
Unlisted NCDs					
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
Subtotal (B)				9,605.75	21,109.60
Total				17,469.92	32,309.60

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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)

14 Borrowings (Other Than Debt Securities)

At amortised cost	As at March 31, 2024	As at March 31, 2023
Secured		
Terms Loans		
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
WCDC	-	2,500.00
Foreign Loan		
From Holding Company	37,500.73	24,193.19
Unsecured		
Commercial Paper		
From AIF	2,000.00	-
Lease Liability		
	13.73	
Total gross (A)	69,258.99	66,467.09
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)
Total Net (A)	70,132.31	66,236.50
Borrowings in India	31,619.97	41,898.42
Borrowings outside India	38,512.34	24,338.08
Total (B)	70,132.31	66,236.50

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, NBFC's, 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 lending book/ receivables of the Company.

Term Loans from Banks carry rate of interest from the range of 9.50% to 14.00% and tenor from 9 months to 2 years along with monthly repayment schedule.

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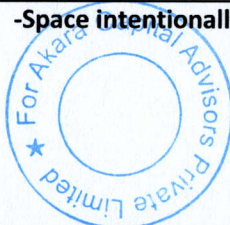


Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2024
(All amount in Rs. in Lakhs, unless stated otherwise)

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	-
	1-2 Years	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
2-3 Years	1	24,193.19	-	
	2	-	111.04	
	3	-	326.32	
	4	133.33	359.45	
	6	-	361.38	
	7	-	996.31	
3-4 Years	12	-	794.89	
	1	13,307.67	-	
Floating	<1 Year	1	-	24,193.19
		2	139.49	-
	1-2 Years	3	-	106.01
		4	1,219.45	593.90
		5	2,418.00	873.07
		6	375.00	580.35
		7	-	494.73
		8	-	291.67
		9	1,059.25	1,060.51
		10	3,881.25	7,213.74
		11	-	2,466.67
		12	922.15	1,329.17
1-2 Years	1	3,818.83	4,650.87	
	3	31.17	139.49	
	4	187.50	-	
	5	166.67	400.00	
	6	208.33	-	
	8	-	375.00	
1-2 Years	9	333.33	1,059.20	
	11	-	1,256.10	
	12	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	154.09	115.08
Collection from Customer	166.37	360.06
Payable under PTC	-	164.29
Security Deposit Payable	109.35	
Due to Colenders	197.46	
Statutory remittances	676.98	561.35
Employee related payable	141.57	65.06
Other Payables	0.75	
Total	1,446.57	1,265.84

16 Current Tax Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Tax	3,033.32	1,062.39
Total	3,033.32	1,062.39

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	44.99	20.95
Other Provisions		
Provision for Expenses	479.16	322.53
Audit Fee Payable	6.48	5.40
Total	552.83	360.65

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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)

18. Share Capital Authorised Share Capital	Equity Shares		Preference Shares	
	No. of shares	Amount (in INR Lakhs)	No. of shares	Amount (in INR Lakhs)
At April 01, 2022	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 (previous year ₹ 10 per 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 eligible 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 INR 10 each issued, subscribed and fully paid**

Particulars	No. of shares	Amount (in INR Lakhs)
At April 01, 2022	21,11,90,519.00	21,119.05
Add: shares issued during the year	5,93,68,812.00	5,936.88
At March 31, 2023	27,05,59,331.00	27,055.93
Add: shares issued during the year	4,54,34,667.00	4,543.47
At March 31, 2024	31,59,93,998.00	31,599.40

18.2 Shares held by holding Company and Beneficiaries

Name of the promoter	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Shruti Aggarwal (Beneficial Owner- Morus Technologies Pte. Ltd.)	100	0.0000316%	100	0.0000370%
Morus Technologies Pte. Ltd. (Holding Company)	31,59,93,898	99.9999684%	27,05,59,231	99.9999630%
Total	31,59,93,998	100.00%	27,05,59,331	100.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

18.3 Details of shareholders holding more than 5% shares in the Company

Name of the promoter	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of Rs. 10 each fully paid Morus Technologies Pte. Ltd. (Holding Company)	31,59,93,898	99.9999684%	27,05,59,231	99.9999630%
Total	31,59,93,898	100.00%	27,05,59,231	100.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



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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)

18.4 Shareholding of promoter in the company(Equity)

Name of the promoter	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Shruti Aggarwal (Beneficial Owner- Morus Technologies Pte. Ltd.	100	0.0000316%	100	0.0000370%

18.5 The Company has issued only one class of equity shares having face value of 10 per share.

18.5 The holders of the equity shares are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders.

18.6 The company has not, for a year of 5 years immediately preceding the balance sheet date :

- (a) issued equity share without payment being received in cash.
- (b) issued equity share by way of bonus share.
- (c) bought back any of its share.

18.7 For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 31

18.8 For Capital Management: Refer Note 54(i).

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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)

19 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Other Equity		
Share Premium A/c		
Opening Balance	10,551.80	6,034.67
Add : Premium on issue of equity shares	4,543.47	4,517.13
	15,095.27	10,551.80
Reserve U/s 45-IC of the Reserve Bank of India Act 1961		
Opening Balance	855.34	195.72
Add : Amount transferred from surplus of Profit and Loss	1,376.42	659.62
Balance at the end of the year	2,231.76	855.34
Share Based Payments Reserve		
Opening Balance	3,856.32	2,049.42
Add: Share Based Payment Reserve (Parent)	2,179.69	1,806.90
Balance at the end of the year	6,036.00	3,856.32
Retained earnings		
Opening Balance	(1,189.77)	(1,310.66)
Add : Profit for the year	6,882.12	780.50289
Less : Transferred to statutory reserves	(1,376.42)	(659.62)
	4,315.92	(1,189.77)
Other Comprehensive Income		
Opening Balance	10.22	7.18
Add : Other comprehensive income	(15.68)	4.07
Less : Income-tax effect on other comprehensive income	3.95	(1.02)
	(1.52)	10.22
Total Other Equity	27,677.44	14,083.90

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 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
- (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

- a. **Securities premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- b. **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.
- c. **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.
- d. **Retained earnings**
Retained earnings comprises of the Company's undistributed earnings after taxes.

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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)

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	63,924.82	18,673.64
Interest income on deposits with Banks	221.78	241.27
Total	64,146.60	18,914.91

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
Total	14,316.44	2,641.61

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	1.89	30.37
Miscellaneous Income	7.98	2.66
Bad Debts Recovered	2,187.48	63.73
Income From PTC Portfolio	21.37	-
Total	2,229.45	135.77

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
Interest Expenses on :-		
Borrowings		
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	2,632.42	1,022.12
Interest on WCDL	194.18	105.41
Interest Expenses on ICD's	296.02	219.35
Interest Expenses on Commercial Paper	191.45	-
Forex Loss	789.34	-
Debt Securities		
Interest on Debentures	4,288.60	1,554.32
Interest On Lease		
	2.35	-
Other Borrowing Cost		
	1,803.01	898.96
Total	14,985.09	7,623.09

24 Net gain/(loss) on fair value changes

Particulars	For the year March 31, 2024	For the year March 31, 2023
Total net gain on fair value changes on financial instruments measured at fair value through profit and loss		
Loss on Fair Value changes in Foreign Currency	86.11	-
Total net gain on fair value changes on financial instruments measured at fair value through profit and loss	86.11	-
Fair value changes		
Realised	-	-
Unrealised	86.11	-
Total Net gain on fair value changes	86.11	-

25 Impairment on financial instruments

Particulars	For the year March 31, 2024	For the year March 31, 2023
On financial instruments measured at Amortised cost		
Impairment Allowance on Loans	5,435.54	4,617.34
Impairment allowance on Other Assets	-	101.22
Bad Debts	37,132.65	-
Total	42,568.19	4,718.56

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	595.09
Director Remuneration	41.25	33.69
Contribution to provident and other funds	42.83	19.84
Gratuity	8.35	4.42
Leave encashment	29.19	24.26
Staff welfare expense	1.43	2.90
Share Based Payments	2,179.69	1,806.90
Total	3,529.98	2,487.10

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
Total	1,047.07	223.34

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	0.24	0.16
Printing & Stationery	6.58	1.27
Audit Fee (detailed in 26(a))	10.20	8.00
Legal & Professional	174.09	193.73
Commission	43.55	
Insurance Expenses	1.52	0.23
Travelling & Conveyance	26.09	21.54
Electricity and Telephone Expense	4.02	2.82
Corporate social responsibility expenses	63.47	6.28
Rent and Facility Fees	49.69	55.97
Business Auxiliary Services	5.57	61.37
Bank Charges	122.23	49.57
Director Setting Fees	38.63	39.75
Annual and Subscription Fees	1.56	0.03
Filing Fee	112.72	39.58
Miscellaneous Expenses	1,001.53	458.07
Total	11,264.10	4,465.41

28(a) Auditor's remuneration

Particulars	For the year March 31, 2024	For the year March 31, 2023
As auditor		
For statutory audit	7.20	6.00
For Limited Review/ Interim Audit	3.00	1.20
	10.20	8.00

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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
Current income tax:		
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	
Deferred tax:		
Relating to the origination and reversal of temporary differences	(2,899.66)	331.90
Income tax expense reported in the statement of profit or loss	329.83	1,394.29
Other Comprehensive Income		
Relating to origination and reversal of temporary differences:	(15.68)	4.07
	As at March 31, 2024	As at March 31, 2023
Income Tax relating to remeasurement gains/(losses) on defined benefit plans	(3.95)	1.02
Income tax expense reported in other comprehensive section	(3.95)	1.02

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:		
Basic		
Weighted average number of equity shares for computation of Basic EPS (in Nos.)	28,68,02,513	23,37,55,497
Net profit for calculation of basic EPS (in Rs. Lakhs)	6,882.12	780.50
Basic earning per share (In Rs.)	2.40	0.33
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (in Nos.)	28,68,47,327	23,37,56,627
Net profit for calculation of Diluted EPS (in Rs. Lakhs)	6,882.12	780.50
Diluted earning per share (In Rs.)	2.40	0.33
Reconciliation of Weighted average number of shares outstanding		
Weighted average number of equity shares of computation of Basic EPS	28,68,02,513.39	23,37,55,497.46
Add : Dilutive potential equity shares	44,814.00	1,129.57
Weighted average number of equity shares of computation of Diluted EPS	28,68,47,327.39	23,37,56,627.03
Nominal value of equity shares (In Rs.)	10.00	10.00

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.

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31. Employee Stock Option Plan

I. 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 given below:

Summary of Stock option liability with respect to Employees											
Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options not Vested but Accrued/Partially Vested	Number of Options Surrendered	Options yet to be vested	Graded vesting period	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued (INR in Lakhs)	Total Liability as on 31st March, 2024
01-04-2017	4,769.84	215.00	215.00	-	-	-	12.00	01-04-2018	10.26	-	10.26
01-10-2017	4,807.30	215.00	215.00	-	-	-	12.00	01-10-2018	10.34	-	10.34
01-04-2018	5,516.26	17.00	-	-	-	-	12.00	01-04-2019	0.94	-	0.94
01-04-2019	7,692.42	437.00	437.00	-	-	6.00	12.00	01-04-2020	33.15	-	33.15
01-10-2019	7,860.50	30.00	30.00	-	-	-	12.00	01-10-2020	2.36	-	2.36
01-04-2021	10,545.48	584.00	133.00	451.00	-	420.00	12.00	01-04-2022	17.29	5.73	23.02
01-10-2021	10,683.88	30.00	12.00	18.00	-	18.00	12.00	01-10-2022	1.28	0.66	1.94
01-04-2022	45,852.04	283.00	28.00	255.00	-	255.00	12.00	01-04-2023	12.84	19.50	32.34
12-09-2022	61,376.12	158.00	31.00	127.00	-	127.00	12.00	12-09-2023	19.03	-	19.03
01-10-2022	62,953.91	82.00	1.00	81.00	-	81.00	12.00	01-10-2023	0.63	0.66	1.28
21-11-2022	62,908.21	460.00	92.00	368.00	-	460.00	12.00	21-11-2023	-	-	-
01-04-2023	63,385.55	15.00	-	15.00	-	15.00	18.00	01-04-2024	-	2.44	2.44
03-04-2023	63,385.55	352.00	-	-	-	-	12.00	03-04-2024	-	-	-
03-04-2023	63,385.55	123.00	-	-	-	-	12.00	03-04-2024	-	-	-
11-07-2023	63,450.54	8.00	-	8.00	-	-	18.00	11-07-2025	-	0.91	0.91
01-08-2023	63,393.25	76.00	-	76.00	-	-	18.00	01-02-2025	-	-	-
29-08-2023	63,591.05	26.00	-	26.00	-	-	18.00	28-02-2025	-	2.52	2.52
18-09-2023	64,063.06	39.00	-	39.00	-	-	18.00	18-03-2025	-	-	-
03-10-2023	64,039.73	31.00	-	31.00	-	-	18.00	03-04-2025	-	-	-
25-10-2023	64,016.64	383.00	-	383.00	-	-	18.00	25-04-2025	-	28.15	28.15
06-11-2023	64,077.70	11.00	-	11.00	-	-	18.00	06-05-2025	-	0.72	0.72
06-12-2023	64,170.62	66.00	-	66.00	-	-	18.00	06-06-2025	-	-	-
15-01-2024	63,774.82	77.00	-	77.00	-	-	18.00	15-07-2025	-	2.70	2.70
18-03-2024	63,857.97	115.00	-	115.00	-	-	18.00	18-09-2025	-	0.69	0.69
Total									108.11	64.67	172.78

Summary of Stock option liability with respect to Founders											
Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options not Vested but Accrued/Partially Vested	Number of Options Surrendered	Options yet to be vested	Graded vesting period	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued (INR in Lakhs)	Total Liability as on 31st March, 2024
01-10-2016	4,891.86	23,759.20	23,759.20	-	-	-	18	31-03-2018	1162.27	-	1162.27
01-06-2020	10,832.12	10,814.31	7,570.02	3,244.29	-	3,244.29	18.00	30-11-2021	819.99	336.74	1156.74
01-09-2022	61,383.82	9,096.62	1,819.32	7,277.30	-	7,277.30	18.00	29-02-2024	1116.77	2,427.45	3544.22
Total									3,099.03	2,764.19	5,863.22

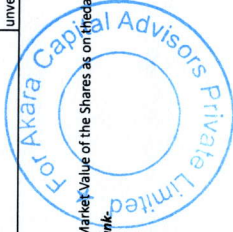
Exercise period: The Options granted under this Option Plan shall be exercised as per the provisions outlined in the table below.

Treatment of Vested Options		Treatment of Unvested Options	
In case of continuation of employment	All the Vested Options can be exercised by the Option Grantee at the time of Liquidity Event.	All the Unvested Options shall continue to vest as per the vesting schedule.	
Resignation/termination/other than Cause	All the Vested Options as of the date of resignation/termination of employment / engagement can be exercised within a period equal to 10 (ten) years from the time of leaving the company ("Extended Exercise Period"), provided the Liquidity Event occurs during the Extended Exercise Period.	All the Unvested Options as on date of resignation/termination shall cease to vest with the employee and such unvested options shall be added to the ESOP Pool.	
Death	All the Vested Options as on date of death shall accrue to the legal heirs or nominees (as the case may be) who shall be entitled to exercise upon the occurrence of the Liquidity Event.	All the Unvested Options as on date of death shall cease to vest with the employee or legal heirs and such unvested options shall be added to the ESOP Pool.	
Termination due to Permanent Incapacitation	All the Vested Options as on date of permanent incapacity shall accrue to the legal heirs or nominees (as the case may be) who shall be entitled to exercise upon the occurrence of the Liquidity Event	All the Unvested Options as on date of permanent incapacity shall cease to vest with the employee and such unvested options shall be added to the ESOP Pool.	
Resignation/ termination due to Cause	All the Vested Options as on date of such termination shall lapse and cease to vest with the employee and such vested options shall be added back to the ESOP Pool.	All the Unvested Options as on date of resignation/ termination shall cease to vest with the employee and such unvested options shall be added to the ESOP Pool.	

Exercise price per option

The Exercise Price shall be as 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 on the date of Grant of Options.

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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)

II. Reconciliation of Options Expense and Liability

Particulars	Value
Options granted as on 01-04-2021	1,528
Options Vested during FY 21-22	626
Options Surrendered during FY 21-22	-
Expense to be booked till reporting March 22-Employees (In Rs. Lakhs)	63.31
Expense to be booked till reporting March 22-Founders (In Rs. Lakhs)	1,986.11
Total Liability as on 31st March 2022 (In Rs. Lakhs)	2,049.42
Options Granted during FY 22-23	2,511
Options Vested during FY 22-23	891
Options Surrendered during FY 22-23	460
Expense to be booked till reporting March 23-Employees (In Rs. Lakhs)	112.04
Expense to be booked till reporting March 23-Founders (In Rs. Lakhs)	3,744.27
Differential Expense Booked in FY 22-23 (In Rs. Lakhs)	1,806.90
Total Liability as on 31st March 2023 (In Rs. Lakhs)	3,856.32
Options Granted during FY 23-24	3,833
Options Vested during FY 23-24	1,144
Options Surrendered during FY 23-24	577
Expense to be booked till reporting March 23-Employees (In Rs. Lakhs)	172.78
Expense to be booked till reporting March 23-Founders (In Rs. Lakhs)	5,863.22
Differential Expense Booked in FY 23-24 (In Rs. Lakhs)	2,179.69
Total Liability as on 31st March 2024 (In Rs. Lakhs)	6,036.00

32 Employee Benefits

Retirement Benefit Plan

A. Defined Contribution Plan

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.

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
Total	42.83	19.84

B.1. Defined Benefit Plan-Gratuity

The Company operates a non-funded gratuity benefit plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary at termination of service, or retirement, or death, whichever is earlier. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet.

Net employee benefit expense recognized in the employee cost

	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	9.00	3.22
Interest cost	1.57	1.20
Past Service Cost	-	-
Expected return on plan asset*	-	-
Benefits paid during the year	(2.22)	-
Net expense	8.35	4.42

*The company does not follow the policy of contribution to Plan Assets for payment of Leave Encashment and Gratuity

Remeasurement (gains)/ 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 adjustments	1.15	(3.69)
Remeasurement (gain) / loss on obligations arising from changes in financial assumptions	14.53	(0.38)
Remeasurement (gain) / loss on obligations arising from changes in demographic assumptions	-	-
Remeasurement (gain) / loss arising during the year	15.68	(4.07)



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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 (perAnnum)	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	0.000924	35	0.001202	50	0.004436
25	0.000931	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	-2%	-12%
c) Effect of 1% change in assumed withdrawal rate		
-1% increase	-2%	-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 SL Liability		
Net expense	29.19	24.26

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*		
Plan liability	22.20	11.78

*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	8.36
Current service cost	29.19	24.26
Interest cost		
Benefits paid during the year	(18.76)	(20.84)
Remeasurement (gain)/loss on obligation		
Closing defined benefit obligation	22.20	11.78

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 (perAnnum)	45.00% p.a.
Mortality	IALM 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	0.000931	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.

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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	8.35	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	11.78

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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)

33 Segment information

The Company's main business is to provide financing to its Customers to cater their cash flow requirements. All other activities revolve around the main business. The Company does not have any geographic segments. The Company does not derives 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 198 of the Companies Act 2013. In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified w.e.f. 22.01.2021, any unspent amount pursuant to any ongoing project shall be transferred to unspent CSR Account 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 statute, 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	62.79	7.51
a.1) Amount approved by Board for CSR expenditure	62.79	7.51
b) Amount spent during the year	63.47	6.28
c) Shortfall / (Excess) at the end of the year (a-b)	(0.67)	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	(0.67)	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 abled kids.	13.00	-	13.00	3.00	-	3.00
b)	Project of Birds and Animals Hospital, Women Empowerment, Ayurved and Naturopathy Empowerment	50.47	-	50.47	-	-	-
c)	Rehabilitation Centres and terminally ill patients	-	-	-	3.00	-	3.00
d)	Others	-	-	-	0.28	-	0.28
	Total	63.47	-	63.47	6.28	-	6.28

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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)

36 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 defined/ stipulated 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 (RP) list basis intimation received from the Directors / KMPs 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 Transaction involving him or her or his or her Relative, 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 ratify such transaction

Omnibus Approval

The Audit Committee may grant omnibus approval, on an annual basis, for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:
 (i) The Audit Committee shall lay down the criteria for granting the omnibus approval, and such approval shall be applicable in respect of transactions which are repetitive in nature
 (ii) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company
 (iii) Such omnibus approval shall specify (i) the name/s 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.

Omnibus 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 omnibus 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 /noting and/ or approval as above.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee:

- i. 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.
- ii. 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 commenced 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 Directorship

- | | |
|--|---------------------------------------|
| Morus Technologies Pte Ltd | Tushar Aggarwal |
| EQX Analytics Private Limited | Shruti Aggarwal |
| Titanium Fortune Financial Services Private Limited | Sonia Rakesh Thakur (till 14-03-2024) |
| Santra Digital Services Private Limited | Ashish Singh (w.e.f. 03-04-2024) |
| Vishuv Invest Private Limited | Pankaj kumar (w.e.f. 05-07-2023) |
| Paisalo Digital Limited | |
| Integro Finserv Private Limited | |
| Platinum Industries Limited | |
| PNB Cards and Services Limited | |
| NR Aggarwal Industries Limited | |
| Stash Payments private Limited (Strike off as on 31-03-2024) | |
| Inkredible Digitfab Studio LLP | |

4. Key Managerial Personnel

Managing Director

Director

Company Secretary

Chief Financial Officer(CFO)






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)

5. Independent Director/Non Executive Directors

Rachakrishnan Ramachandra Iyer
 Vijay Jasuja
 Vijay Ronjan
 Satish chandra Sinha (Till 17-08-2022)
 Star Shine Partners

6. Enterprises owned or significantly influenced by Management personnel or their relatives

b. The nature and volume of transactions carried out with the above related parties in the ordinary course of business are as follows :

1. Shares issued during the year to related party

	March 31, 2024	March 31, 2023
Equity Share Capital		
Monus Technologies Pte Ltd		
Issue of equity shares	4,543.47	5,936.88
Securities premium received	4,543.47	4,516.08

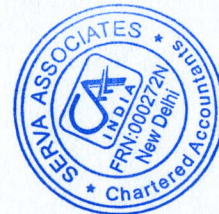
2. Other Transactions

Transactions with the related parties during the year:

Particulars	Nature of transaction	As at Mar 31, 2024	As at Mar 31, 2023
Monus Technologies Pte Ltd	Foreign Loan received from Holding Company (ECB) Interest Payment on Foreign Loan Amount received for expense reimbursement incurred in PFY	13,307.54 2,632.42 -	24,193.19 1,022.12 10.60
EOX Analytics Private Limited	Lead Generation Expenses Loan Disbursement and collection through intermediary Payment of Infra sharing Exp Payable of Previous FY Payment Towards Loan Disbursement and collection through intermediary of Previous FY Infra Sharing Expenses	6,401.30 - 33.61 1,846.89 35.37	3,103.38 4,486.88 - - 33.61
Titanium Fortune Financial Services Private Limited	Loan Given Loan Payment Received Back Interest Income on Loan Given Loan Taken Loan Repaid Interest Payment on Loan Taken	- - - 782.04 782.04 8.24	9,833.60 9,833.60 32.40 1,348.00 1,348.00 10.80
Stash payments Private Limited	Payment for reimbursement of expenses	-	10.32

The above mentioned amounts are inclusive of TDS and exclusive of GST, while the payments has been made considering both.

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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)

Transactions with the key management personnel during the year:

Particulars	nature of transaction	As at	
		Mar 31, 2024	Mar 31, 2023
Shruti Aggarwal- Director	Managerial remuneration Reimbursement of Expenses	41.25 6.10	33.69 9.60
Tushar Aggarwal- Managing Director	Managerial remuneration	47.35	43.29
Satish Chandra Sinha- Independent/ Non- Executive Director	Director Sitting Other Professional Fees	-	-
Radhakrishnan Ramachandra Iyer-Independent/Non- Executive Director	Directors sitting fees Reimbursement of Expenses	13.13 -	15.00 0.03
Vijay Jasuja- Independent/ Non- Executive Director	Directors sitting fees Reimbursement of Expenses	12.75 -	9.00 0.36
Vijay Ronjan- Independent/Non- Executive Director	Directors sitting fees	12.75	9.36
Paveet Dhaliya- Company Secretary	Managerial remuneration	-	0.69
Sonia Rakesh Thakur- Company Secretary	Managerial remuneration Reimbursement of Expenses	19.43 0.04	11.17 0.12
Pankaj Kumar- CFO	Managerial remuneration	15.41	-
		15.41	-

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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)

Balance outstanding at year end	name of related party	nature	As at	
			Mar 31, 2024	Mar 31, 2023
Morus Technologies Pte Ltd		Foreign Loan received from Holding Company (ECB)*	38,286.25	24,193.19
		Interest Payable on Foreign Loan	224.10	144.89
		Equity Capital	31,599.39	27,055.92
		Share Premium Balance	15,095.27	10,551.80
EOX Analytics Private Limited		Lead Generation Expenses Payable	493.71	-
		Infra Sharing Expenses Payable	-	33.61
		Loan Disbursement and collection through intermediary	-	1,846.89
Titanium Fortune Financial Services Private Limited		Interest on Loan Receivable	-	10.38
		Payable against Loan	-	-

* The balance of ECB as on 31 March, 2024 includes revaluation reserve of Rs. 787.52 Lakhs (31st March, 2023-Nil)

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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 assesment 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:

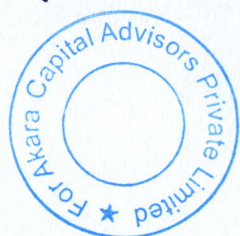
Particulars	March 31, 2024			
	Loan Books			
	Stage 1*	Stage 2	Stage 3	Total
Gross carrying amount as at April 01, 2023	93,903.90	8,722.92	9,767.43	1,12,394.25
New asset originated or purchased	4,08,438.42	-	-	4,08,438.42
Assets derecognised or repaid (excluding write offs)	(3,08,328.94)	(13,616.61)	(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)

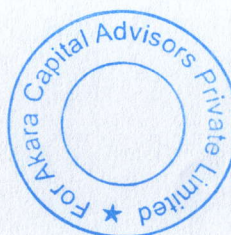
38.1.3 Impairment allowance for loans to customers

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)	131.93	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
1. CRAR (Excluding Off-Balance Sheet Items*)					
a) Capital to risk weighted assets ratio (CRAR)	Risk Weighted Assets	31.65%	28.97%	2.69%	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%	2.69%	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
2. CRAR (Including Off-Balance Sheet Items*)					
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	30.20%	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	1.24%	1.25%	-0.01%	N/A

Notes

- * Off Balance Sheet Items include FLDG 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. 51.
- 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.

40 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.B.iii for more details on fair value hierarchy

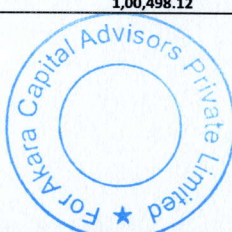
Financial instrument by category

As at 31.03.2024

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
Financial Assets					
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
Total financial assets	1,49,460.44	-	-	-	1,49,460.44
Financial liabilities					
Derivative financial instruments	-	-	-	86.11	86.11
Trade payables	1,128.28	-	-	-	1,128.28
Debt Securities	17,390.17	-	-	-	17,390.17
Borrowings (Other than debt securities)	70,132.31	-	-	-	70,132.31
Other financial liabilities	1,446.57	-	-	-	1,446.57
Total financial liabilities	90,097.34	-	-	86.11	90,183.44

As at 31.03.2023

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
Financial Assets					
Cash and Cash Equivalents	17,737.13	-	-	-	17,737.13
Bank balances other than above	10,974.70	-	-	-	10,974.70
Trade Receivables	4,461.68	-	-	-	4,461.68
Loans	1,06,942.56	-	-	-	1,06,942.56
Investments	82.04	-	-	-	82.04
Other financial assets	1,467.72	-	-	-	1,467.72
Total financial assets	1,41,665.84	-	-	-	1,41,665.83
Financial liabilities					
Derivative financial instruments	-	-	-	-	-
Trade payables	513.65	-	-	-	513.65
Debt Securities	32,482.13	-	-	-	32,482.13
Borrowings (Other than debt securities)	66,236.50	-	-	-	66,236.50
Other financial liabilities	1,265.84	-	-	-	1,265.84
Total financial liabilities	1,00,498.12	-	-	-	1,00,498.12



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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 approvals by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or 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 :

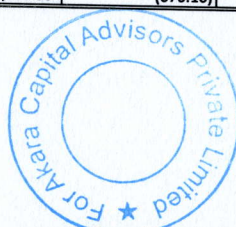
- Trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other financial assets, borrowings, trade payables and other financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

- 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
Financial Assets					
Loans	3	1,42,052.21	1,42,052.21	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
Total financial assets		1,45,010.09	1,45,010.09	1,08,492.33	1,08,492.33
Financial liabilities					
Derivative financial instruments	3	86.11	86.11	-	-
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	66,236.50	66,236.50
Other financial liabilities	3	1,446.57	1,446.57	1,265.84	1,265.84
Total financial liabilities		89,055.16	89,055.16	99,984.47	99,984.47

41 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
ASSETS						
Financial assets						
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	10,974.70	-	10,974.70
Receivable						
-Trade Receivable	-	-	-	3,294.07	-	3,294.07
-Other Receivables	664.09	-	664.09	1,167.62	-	1,167.62
Loans	1,09,630.83	32,421.38	1,42,052.21	88,470.99	18,471.57	1,06,942.56
Investments	-	-	-	82.04	-	82.04
Other financial assets	73.71	2,884.18	2,957.89	1,180.87	286.85	1,467.72
Non- financial assets						
Current tax assets (net)	-	-	-	-	-	-
Deferred tax assets (net)	-	2,609.29	2,609.29	-	-	-
Fixed Assets	-	12.86	12.86	-	-	-
Intangible assets under development	-	12.50	12.50	37.37	12.50	49.87
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
TOTAL ASSETS	1,14,234.09	38,812.36	1,53,046.45	1,23,076.95	20,274.41	1,43,351.37
LIABILITIES						
Financial liabilities						
Derivative Financial Instruments	86.11	-	86.11	-	-	-
Payables						
(I) Trade Payables	-	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	70.51	-	70.51	39.68	-	39.68
(ii) total outstanding dues of creditors other than micro	1,057.77	-	1,057.77	473.98	-	473.98
Debt Securities	17,390.17	-	17,390.17	24,742.64	7,739.49	32,482.13
Borrowings (other than Debt Securities)	30,688.84	39,443.47	70,132.31	35,098.64	31,137.87	66,236.50
Other financial liabilities	1,446.57	-	1,446.57	1,265.84	-	1,265.84
Non financial liabilities						
Provisions	507.84	44.99	552.83	336.66	23.99	360.65
Deferred tax liabilities (net)	-	-	-	-	290.38	290.38
Other Non-financial liabilities	-	-	-	-	-	-
Current tax liabilities (net)	3,033.32	-	3,033.32	1,062.39	-	1,062.39
Total Liabilities	54,281.13	39,488.46	93,769.59	63,019.83	39,191.74	1,02,211.55
Equity						
Equity share capital	-	31,599.40	31,599.40	-	27,055.93	27,055.93
Other equity	-	27,677.45	27,677.45	-	14,083.90	14,083.90
Net Assets	59,952.95	(676.10)	59,276.85	60,057.12	(18,917.33)	41,139.83



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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)

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 on 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 III 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 560 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

(iii) 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.

(iv) The Company have not traded or invested in Crypto currency or virtual currency during the year ended March 31, 2024 and March 31, 2023.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender during the year ended March 31, 2024 and March 31, 2023.

(vi) 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 provisions 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.

(vii) **Utilisation 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

(viii) The company possess intangible assets under development amounting to Rs. 12.50 Lakhs (March 31, 2023: Rs. 49.87 Lakhs) as disclosed in note no 9.

(ix) The company does not possess any capital work in progress during the year.

45 With regard to the new amendments under "Division III 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(vii) for the Company.

46 **Compliance with Approved Schemes of Arrangements :**

The company has not approved 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 Immovable 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 87 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)

50 Disclosures In Terms Of Master Direction – Reserve Bank Of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 Dated 19.10.23 (As Amended)

A. Resolution plans implemented by the Company

Year Ended	No of Borrower	Principal Outstanding at Year End	Impairment allowance as per ECL
March 31, 2024		NIL	
March 31, 2023		NIL	

B. Capital

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR%	31.65%	28.97%
CRAR- Tier I Capital (%)	30.40%	27.72%
CRAR- Tier II Capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier- II 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 2022-23 have been restated due to change in risk weight of Loans & Advances from 100% to 125% during FY 2023-24.

C. Investments

Particulars	As at March 31, 2024	As at March 31, 2023
A.1. Value of Investments		
(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
A.2. Movement of provisions held towards depreciation on investments		
(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 NBFC 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 recognizes various market risks including foreign exchange fluctuation and other assets liability mismatches

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) Quantative 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 (USD)	1,00,00,000.00	-	-	-
Value* (Rs in Lakhs)	8,319.50	-	-	-
(ii) Marked to Market Positions	-	-	-	-
(a) Assets (+)	-	-	-	-
(b) Liability (-)	(86.11)	-	-	-
(iii) Credit Exposure	-	-	-	-
(iv) Unhedged Exposures	29,968.75	-	24,193.19	-

*Notional Principal indicates deal amount outstanding in foreign currency converted into INR terms using RBI reference rate for the closing dates.



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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)

E. 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 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months & up to 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	-	1,657.91	-	-	-	-	353.31	-	-	-	2,011.22
Advances*	21,535.91	1,905.63	5,274.33	13,020.74	11,801.43	29,404.49	36,869.27	32,368.89	52.49	-	1,52,233.18
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	1,116.02	1,062.36	4,923.67	8,493.03	7,009.29	13,265.97	11,804.48	1,141.37	-	-	48,816.19
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	-	-	38,288.37	-	-	38,288.37

*The amount of Advances includes Accrued Interest on Such advances.

**The amount of Foreign Currency Liability includes Revaluation reserve.

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 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months & up to 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	3,660.95	6,952.64	4,022.07	285.68	-	-	15,345.71
Advances*	-	-	27,077.95	9,802.06	7,931.65	19,281.07	30,668.08	18,449.48	21.79	0.30	1,13,232.37
Investments	-	-	-	-	-	-	82.04	-	-	-	82.04
Borrowings	872.24	671.84	3,801.17	6,673.65	9,354.65	14,954.11	23,571.69	14,684.17	-	-	74,583.52
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	-	-	24,193.19	-	-	24,193.19

*The amount of Advances includes Accrued Interest on Such advances.

**The amount of Foreign Currency Liability includes Revaluation reserve.

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F. Exposures

F.1 Exposure to Real Estate Sector

The company does not have any exposure to real estate sector as at March 31, 2024; Nil (previous year: Nil).

F.2 Exposure to Capital Market

The company does not have any exposure to capital market as at March 31, 2023; Nil (previous year: Nil).

F.3 Sectoral Exposure

Sectors	Year Ended March 31, 2024			Year Ended March 31, 2023		
	Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector	Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
Others	1,83,936.83	7,322.87	3.98%	1,52,126.31	9,767.43	6.42%
Total of Personal Loans (Others)	1,83,936.83	7,322.87	3.98%	1,52,126.31	9,767.43	6.42%
5. Others, if any (please specify)	-	-	-	-	-	-

F.4 Intra-group exposures

Following are the disclosures pertaining to intra group exposures:-

Particulars	As at March 31, 2024	As at March 31, 2023
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers /customers	-	-

F.5 Unhedged foreign currency exposure

Refer Note 50(D)(iii) to the Financial Statements

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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)

G. Details of financing of parent company products – Not Applicable
G.1 Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the applicable NBFC.

List of Single Exposures exceeding Limits as at March 31, 2024

Sl. No.	Name	Exposure (Rs in Lakhs)	%
NIL			

Tier I capital / Owned Funds as on March 31, 2024 is 55,384.76 Lakhs

List of Single Exposures exceeding Limits as at March 31, 2023

Sl. No.	Name	Exposure (Rs in Lakhs)	%
NIL			

Tier I capital / Owned Funds as on March 31, 2023 is 39,063.63 Lakhs

List of Group Exposures exceeding Limits as at March 31, 2024

Sl. No.	Name	Exposure (Rs in Lakhs)	%
NIL			

Tier I capital / Owned Funds as on March 31, 2024 is 55,384.76 Lakhs

List of Group Exposures exceeding Limits as at March 31, 2023

Sl. No.	Name	Exposure (Rs in Lakhs)	%
NIL			

Tier I capital / Owned Funds as on March 31, 2023 is 39,063.63 Lakhs

H. Miscellaneous

H.1 Registration obtained from other financial sector regulators:

Sl. No.	Regulator Name	Particulars	Registration Details
1	Ministry of Corporate Affairs	Corporate Identification Number (CIN)	U74110DL2016PTC290970
2	Reserve Bank of India	Registration Number	N-14.03352
3	Legal Entity Identifier India Ltd	LEI Number	335800POAHY3ASTR7U55

H.2 The Company does not have any Overseas Assets in the form of Joint Ventures / Subsidiaries abroad.

H.3 There are no Off-balance Sheet SPVs sponsored by the Company

I Disclosure of Penalties imposed by RBI and other regulators during the year:

Disclosure of Penalties imposed by the Reserve Bank and other regulators

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1. Advisory issued under Reserve Bank – Integrated Ombudsman Scheme, 2021	0.75	1.44
2. Total Debt SOP Fines imposed by SEBI during the year	1.13	0.25
Total Fines and Penalties	1.89	1.69

J Disclosure of complaints

1. Summary information on complaints received by the company from its Share Holders

Sl. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	-	-
3	Number of complaints disposed during the year	-	-
4	Number of complaints pending at the end of the year 31 march	-	-

2. Summary information on complaints received by the company from its Debenture Holders / Bond Holders

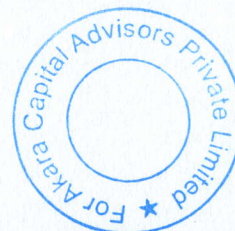
Sl. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	-	-
3	Number of complaints disposed during the year	-	-
4	Number of complaints pending at the end of the year 31 march	-	-

3. Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman:

Sl. No.	Particulars	31st March 2024	31st March 2023
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	93	71
2	Number of complaints received during the year	16,735	24,041
3	Number of complaints disposed during the year	16,516	24,019
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year 31 march	312	93
Maintainable complaints received by the NBFC from Office of Ombudsman			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	429	354
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	421	352
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	8	2
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0



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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)

Top five grounds of complaints received by the NBFCs from customers:

Grounds of complaints, (i.e. complaints relating to)*	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received 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
31st March 2024					
Loan and Advances	44	13,221	% Decrease 33.55%	247	11
Difficulty in operation of accounts	49	3,514	% Decrease 12%	65	4
TOTAL	93	16,735		312	15
31st March 2023					
Loan and Advances	64	20,048	NA^	44	2
Difficulty in operation of accounts	7	3,993	NA^	49	-
TOTAL	71	24,041		93	2

* The complaints received by the company are based on two grounds. Thus, only two grounds for complaint are being reported.

^ There were no complaint records received by the company as on 31-03-2022 hence the change from 31-03-2022 to 31-03-2023 has not been computed.

K. 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	67,000	67,000	[ICRA]BBB (Stable); reaffirmed
Market linked debentures	India Ratings and Research	20,000	NA	IND BBB/Stable
Long-term fund based - Term loan	ICRA	-	3,000	PP-MLD[ICRA]BBB (Stable); Reaffirmed and withdrawn
Long-term fund-based term loan	ICRA	12,500	12,500	[ICRA]BBB (Stable); reaffirmed
Commercial paper	ICRA	1,500	1,500	[ICRA]BBB+(CE) (Stable); reaffirmed
Bank Loans	India Ratings and Research	8,000	8,000	[ICRA]A3+; reaffirmed
Total		1,14,000	92,000	IND BBB/Stable

*For ICRA: The ratings are based on rating reaffirmed and withdrawn for market linked debentures as on August 10 2023

*For India Ratings and research: The ratings are based on rating report as on March 18 2024

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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)

L

Concentration of Deposits, Advances, Exposures and NPAs

L.1 Concentration of Advances

Particulars	As at March 31, 2024	As at March 31, 2023
Total Advances to twenty largest borrowers/Customers	98.69	74.66
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.07%	0.07%

L.2 Concentration of Exposures

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers/customers	170.34	164.64
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.12%	0.15%

L.3 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

L.4 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	7322.87	4.98%	9,767.43	8.69%

L.5 Movement of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Net NPAs to Net Advances (%)	2.27%	7.45%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	9,767.43	2,066.90
(b) Additions during the year	33787.97	15,235.84
(c) Reductions during the year	36232.53	7,535.30
(d) Closing balance	7,322.87	9,767.43
(iii) Movement of Net NPAs		
(a) Opening balance	8,261.94	2,019.94
(b) Additions during the year	31,218.65	13,777.31
(c) Reductions during the year	36,232.53	7,535.30
(d) Closing balance	3,248.06	8,261.93
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,505.49	46.96
(b) Provisions made during the year	2,569.32	1,458.53
(c) Write-off/write-back of excess provisions	-	-
(d) Closing balance	4,074.81	1,505.49

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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	74,075.36	NA	79.00%
2	As at March 31, 2023	21	85,913.94	NA	84.06%

Note: 1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting 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 20 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	65,672.02	75.05%
2	As at March 31, 2023	63,071.17	63.85%

(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	38,288.25	40.83%
2	Term Loan Other	25,478.42	27.17%
3	Non-Convertible Debentures	17,469.92	18.63%
4	Term Loan Bank	2,917.65	3.11%
5	Commercial Paper	2,000.00	2.13%
6	ICD	1,348.46	1.44%
	Total	87,502.70	

As at March 31, 2023

Sr No.	Name of the instrument/product	Amount (₹ lakhs)	% of Total Liabilities
1	Term Loan -Bank	4,666.67	4.57%
2	ECB	24,193.19	23.67%
3	ICD	2,989.40	2.92%
4	Term Loan	32,117.85	31.42%
5	WC DL	2,500.00	2.45%
6	Non-Convertible Debentures	32,309.60	31.61%
	Total	98,776.70	

Note: A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the Company's total liabilities.

(v) Stock Ratios:

	As at March 31, 2024	As at March 31, 2023
Total Borrowings (Public Funds)	87,502.70	98,776.70
Total Liabilities	93,769.59	1,02,211.56
Total assets	1,53,046.43	1,43,351.37

(a) Commercial papers as a percent of total public funds, total liabilities and total assets

	As at March 31, 2024	As at March 31, 2023
% on Total Borrowing (Public Funds)	2.29%	-
% on Total Liability	2.13%	-
% on Total Assets	1.31%	-

(b) Non-convertible debentures (original 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
% on Total Borrowing (Public Funds)	-	-
% on Total Liability	-	-
% on Total Assets	-	-

(c) 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	16,383.10	4330.81
% on Total Borrowing (Public Funds)	18.72%	4.38%
% on Total Liability	17.47%	4.24%
% on Total Assets	10.70%	3.02%

(vi) 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:

- 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.
- 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 (ALCO) 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 ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the 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 ALCO.
- Risk Management Committee:** It shall evaluate the overall risks faced by the Company including liquidity risk.



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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)

N. Comparison of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and Impairment Allowance as per Ind AS 109 '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= 4-6
Performing Assets						
Standard	Stage 1	1,22,947.61	2,479.98	1,20,467.63	491.79	1,988.19
	Stage 2	16,858.28	3,194.99	13,663.29	67.43	3,127.56
Subtotal for Performing Assets		1,39,805.88	5,674.97	1,34,130.91	559.22	5,115.75
Non-Performing Assets (NPA)						
Substandard	Stage 3	7,322.87	4,074.81	3,248.06	732.29	3342.53
Doubtful - up to 1 year	Stage 3	0	0	-	0	-
1 to 3 years	Stage 3	0	0	-	0	-
More than 3 years	Stage 3	0	0	-	0	-
Subtotal for doubtful		0	0	0	0	0
Loss	Stage 3	0	0	-	0	-
Subtotal for NPA		7,322.87	4,074.81	3,248.06	732.29	3,342.53
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	-	-	-	-	-
Subtotal For Other Items		-	-	-	-	-
Total	Stage 1	1,22,947.61	2,479.98	1,20,467.63	491.79	1,988.19
	Stage 2	16,858.28	3,194.99	13,663.29	67.43	3,127.56
	Stage 3	7,322.87	4,074.81	3,248.06	732.29	3,342.53
	Total	1,47,128.75	9,749.78	1,37,378.97	1,291.51	8,458.27

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= 4-6
Performing Assets						
Standard	Stage 1	93,903.90	1,183.00	92,720.90	375.62	807.38
	Stage 2	8,722.92	2,056.94	6,665.99	34.89	2,022.05
Subtotal for Performing Assets		1,02,626.82	3,239.94	99,386.89	410.51	2,829.43
Non-Performing Assets (NPA)						
Substandard	Stage 3	9,767.43	1,505.49	8,261.94	976.74	528.75
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		9,767.43	1,505.49	8,261.94	976.74	528.75
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	-	-	-	-	-
Subtotal For Other Items		-	-	-	-	-
Total	Stage 1	93,903.90	1,183.00	92,720.90	375.62	807.38
	Stage 2	8,722.92	2,056.94	6,665.99	34.89	2,022.05
	Stage 3	9,767.43	1,505.49	8,261.94	976.74	528.75
	Total	1,12,394.25	4,745.43	1,07,648.83	1,387.25	3,358.18



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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)

O. Loans to Directors, Senior Officers and Relatives of Directors

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

P. 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)

Q. Details of transaction with non executive directors:

Refer Note 36 for details

R. Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 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 or Loan accounts Assigned	-	11,290.00
Amount of Loan account Assigned (₹ in lakhs)	-	2,050.98
Retention of beneficial economic interest (MRR)	-	20.00%
Weighted Average Maturity (Residual Maturity) (in years)	-	1.46
Weighted Average Holding Period (in years)	-	0.53
Coverage of tangible security coverage	-	-
Rating-wise 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 tenor 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 realised in respect of accounts transferred in earlier years	-	-

* includes interest accrued, penal interest & other charges due from borrower as included in the sale agreement.

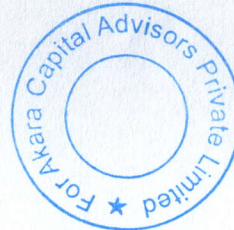
c The Company has acquired below loan during the year

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Aggregate principal outstanding of loans acquired	-	-
Aggregate consideration paid	-	-
Weighted average residual tenor of loans acquired	-	-

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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)

5. Information / Particulars as set out in Annex VIII of Master Direction – Reserve Bank of India (Non Banking Financial Company –Scale Based Regulation) Directions, 2023

Schedule to the Balance Sheet of Akara Capital Advisors Private Limited, as at March 31, 2024

Particulars		Amount outstanding (Including Amount Overdue)
Liabilities side		
Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
(a)	Debentures : Secured	17,390.17
	: Unsecured	-
(b)	Deferred Credits	-
1 (c)	Term Loans	29,269.39
(d)	Inter-corporate loans and borrowing	1,348.46
(e)	Commercial Paper	2,000.00
(f)	Public Deposits	-
(g)	Other Loans- ECB	37,500.73
Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
2 (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		
Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
3 (a)	Secured	-
(b)	Unsecured	1,42,052.21
Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i)	Lease assets including lease rentals under sundry debtors:	
(a)	Financial lease	-
(b)	Operating lease	-
4 (ii)	Stock on hire including hire charges under sundry debtors:	
(a)	Assets on hire	-
(b)	Repossessed Assets	-
(iii)	Other loans counting towards asset financing activities	
(a)	Loans where assets have been repossessed	-
(b)	Loans other than (a) above	-
Break-up of Investments		
Current Investments		
<u>Quoted</u>		
(i)	Shares	
(a)	Equity	-
(b)	Preference	-
1 (ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-
<u>Unquoted</u>		
(i)	Shares	
(a)	Equity	-
(b)	Preference	-
2 (ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-
3	Short Term Deposits	2,011.22
Long Term investments		
<u>Quoted</u>		
(i)	Share	
(a)	Equity	-
(b)	Preference	-
1 (ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-
<u>Unquoted</u>		
(i)	Shares	
(a)	Equity	-
(b)	Preference	-
2 (ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-



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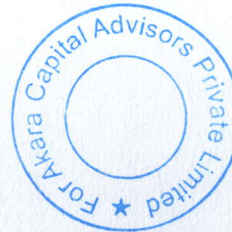


Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2024
(All amount in Rs. in Lakhs, unless stated otherwise)

Borrower group-wise classification of assets financed as in (3) and (4) above:			
	Category	Amount net of provisions	
		Secured	Unsecured
			Total
6	Related Parties		
	1 (a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2 Other than related parties	-	1,42,052.21
	Total	-	1,42,052.21
Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
7	Related Parties		
	1 (a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2 Other than related parties	-	2,011.22
	Total	-	2,011.22
Other information			
	Particulars	Amount	
8	Gross Non-Performing Assets		
	(i) (a) Related parties		-
	(b) Other than related parties		7,322.87
	Net Non-Performing Assets		
(ii) (a) Related parties		-	
(b) Other than related parties		3,248.06	
(iii) 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 amount in Rs. in Lakhs, unless stated otherwise)

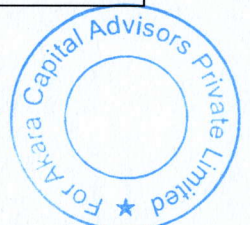
Schedule to the Balance Sheet of Akara Capital Advisors Private Limited, as at March 31, 2023

Particulars		Amount outstanding (Including Amount Overdue)	
Liabilities side			
Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:			
1	(a) Debentures : Secured	32,482.13	
	(a) : Unsecured (other than falling within the meaning of public deposits)	-	
	(b) Deferred Credits	-	
	(c) Term Loans	39,053.92	
	(d) Inter-corporate loans and borrowing	2,989.39	
	(e) Commercial Paper	-	
	(f) Public Deposits	-	
	(g) Other Loans-ECB	24,193.19	
Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
2	(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	
Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
3	(a) Secured		
	(b) Unsecured	1,06,104.44	
Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities			
4	Lease assets including lease rentals under sundry debtors:		
	(i)	(a) Financial lease	-
		(b) Operating lease	-
	Stock on hire including hire charges under sundry debtors:		
	(ii)	(a) Assets on hire	-
		(b) Repossessed Assets	-
	Other loans counting towards asset financing activities		
	(iii)	(a) Loans where assets have been repossessed	-
		(b) Loans other than (a) above	-
	Break-up of Investments		
Current Investments			
1	Quoted		
	(i)	Shares	
		(a) Equity	-
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	
	Unquoted		
	(i)	Shares	
		(a) Equity	-
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
(iii) Units of mutual funds	-		
(iv) Government Securities	-		
(v) Others (please specify)	-		
3 Short Term Deposits	15,074.71		
Long Term Investments			
1	Quoted		
	(i)	Share	
		(a) Equity	-
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	
	Unquoted		
	(i)	Shares	
		(a) Equity	-
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
(iii) Units of mutual funds	-		
(iv) Government Securities	-		
(v) 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:			
6	Category	Amount net of provisions	
		Secured	Unsecured
		Total	
	Related Parties	-	-
1	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2	Other than related parties	-	1,06,104.44
	Total		1,06,104.44
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)
7	Related Parties		
1	(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
8	Gross Non-Performing Assets		-
	(i)	(a) Related parties	-
		(b) Other than related parties	9,767.43
Net Non-Performing Assets		-	
(ii)	(a) Related parties	-	
	(b) Other than related parties	8,261.94	
(iii)	Assets acquired in satisfaction of debt		-

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T. Disclosure of Restructured Accounts (as required by RBI guidelines under reference DNBS.CO.PD.No.367/05.10.01/2013-14 dated January 23, 2014)

Sl. No	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total			
		Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss
	Asset Classification Details	No. of Borrowers	Amount Outstanding	Provision Thereon	No. of Borrowers	Amount Outstanding	Provision Thereon	No. of Borrowers	Amount Outstanding	Provision Thereon	No. of Borrowers	Amount Outstanding	Provision Thereon	No. of Borrowers	Amount Outstanding	Provision Thereon	
1	Restructured Accounts as on April 1 of the FY (opening figures)*																
2	Fresh restructuring during the year																
3	Upgradations to restructured standard category during the FY																
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY																
5	Degradation of restructured accounts during the FY																
6	Write-offs of restructured accounts during the FY																
7	Restructured Accounts as on March 31 of the FY (closing figures*)																

* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

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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
Details of financials assets purchased from / sold to other NBFCs		
Details of financial assets purchased		
No. of accounts purchased during the year	-	-
Aggregate outstanding	-	-
Of these, number of accounts restructured during the year	-	-
Aggregate outstanding	-	-
Details of Financial Assets sold :		
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
Securitisations		
Carrying amount of transferred assets (held as Collateral)	-	2,050.98
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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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 Colenders	1,187.50	-
Total	1,200.62	15.00

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 Colending Agreements with its Co-Lenders. The company has paid FLDG amounting to Rs. 11,132.92 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 9.84 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.

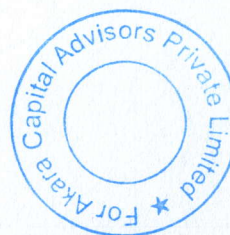
53 Post reporting date events:-

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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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)

54 (i) 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 in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, and rating 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

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	87,522.49	98,718.63
Equity (including capital reserve)	55,384.76	39,063.63
Debt-Equity Ratio	1.58	2.53

Objective

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.

The Company endeavors to maintain its CRAR higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

(ii) Regulatory Capital

Capital Risk Adequacy Ratio (CRAR) and other key financial parameters as at March 31, 2024 and March 31, 2023 of the Company are as under:

Particulars	Without Considering Off Balance Sheet exposure		After Considering Off Balance Sheet Exposure	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Amount	Percentage	Amount	Percentage
Net Owned Funds/Tier 1 CRAR	55,384.76	30.40%	55,384.76	30.20%
Tier 2 CRAR	2,277.04	1.25%	2,277.04	1.24%
Total Capital Funds/ Total CRAR	57,661.81	31.65%	57,661.81	31.44%
Risk Weighted Assets	1,82,163.59		1,83,404.54	
Note: 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.			1,40,929.40	28.97%
			1,40,944.40	27.72%

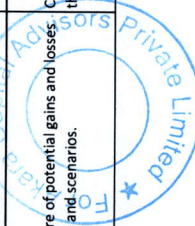
55 Financial risk management objectives and policies

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 (ALCO) and Risk Management Committee. Risk Management Committee reviews risk management in relation to various integrated risks of the Company. This note explains the sources 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 refined based on emerging market trends and the Company's own experience. The Risk Management Policy is periodically refined based on emerging market trends and the Company's own experience.

55.1 Types of Risks

The Company's risks are generally categorised in the following risk types:

Risk	Exposure arising from	Measurement	Management
Credit Risk - Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract.	Loan receivables, Cash and bank balances, financial assets measured at amortised 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 customers/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, Mismatches in the timing of cash flows. Arises when illiquid asset positions cannot be funded at the expected 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 portfolios.	non-current borrowings at variable rates	Sensitivity analysis, detailed picture of potential 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 material 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"> -The Companies Act, 2013 -The Income-Tax Act, 1961 -The Indian Contract Act, 1872 -Securities and Exchange Board of India Act, 1992 -Reserve Bank of India Act, 1934 -The Central Goods and Services Tax Act, 2017 -The Integrated Goods and Services Tax Act, 2017 -State Goods and Service Tax Acts -Payment of Wages Act, 1936 -Minimum Wages Act, 1948 -The Payment of Bonus Act, 1965 -Payment of Gratuity Act, 1972 -Employees' Provident Funds and Miscellaneous Provisions Act, 1952 -The Employees State Insurance Act, 1948 -Foreign Exchange Management Act, 1999 -Micro, Small and Medium Enterprises Development Act, 2006 <p>and other Acts and their rules, guidelines, notifications and amendments as and when applicable.</p>	<p>Quarterly, a Compliance Calendar is prepared for RBI, SEBI and MCA compliances stating details of</p> <ul style="list-style-type: none"> -Relevant legal provision -Name of the Forms/Returns to be filed -Nature of Information to be provided -Periodicity, Timeliness and Due Dates of compliance -Penal provision for non-compliance 	<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 minimize 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"> - Interest Rate Policy- There is unspecified/unapproved policy mechanism to determine the interest and charges levied on customers leading to inappropriate charging. - Personal Loans Regulation- Personal loans are not regulated and are sanctioned to borrowers with low repaying capacity, non genuine, non existing borrowers or customers with default history. 	<p>A Strategy 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 internal principal and procedures in determining rates of interest, processing fees, other charges. Disclosures are required for rationale 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 purposes, age criteria, minimum household 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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<p>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</p>	<p>Reputational Risks arising from:</p> <ul style="list-style-type: none"> -Inappropriate and/or unauthorised use of social media to spread negative publicity of the company. -Account takeovers and malware distribution from social media of the company -As social media platforms have a wide reach, any misstep quickly gone viral, social media crises can escalate quickly -Employees are unaware of non-compliance with legal requirements, so the risk of legal repercussions -Employees may inadvertently share sensitive information on social media -Inconsistent Brand Messaging -Defamation or privacy breaches by employees or outsiders - Non response to complaints and negative publicity 	<p>Marketing, Legal and Compliance Teams are constituted to cater to such risks and a social media policy prepared to mitigate the vulnerability to social media threats</p>	<p>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 Softwares, two-factor authentication, audits and training regarding social media activity.</p> <p>Processes 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.</p> <p>Transparency in communication is ensured and complaints are addressed within a short Turnaround Time to build customers' trust.</p>
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The Company's Principal financial liabilities majorly comprise borrowings (including debt securities). 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 measure and monitor 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 bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Company face in businesses are liquidity risk, credit risk, market 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 substitute. Customer defaults and inadequate collateral may lead to higher credit impaired assets. Company address credit risks by using a set of credit norms and policies, which are approved by Board and backed by analytics and technology. 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 fairly price credit risks.

Credit quality of a customer is assessed based on its credit worthiness 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 values, as recorded on the balance sheet. With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

Impairment Assessment:

The Company applies the expected credit loss model for recognising impairment loss. The expected credit loss allowance is computed 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 Ind AS including qualitative factor of an account or of pool of retail loan portfolio. Accordingly, the loans are classified into various stages as follows:

Internal rating Grade	Internal Grading Description	Stages
Performing		
High Grade	0-30 DPD	Stage 1
Standard Grade	31-90 DPD	Stage 2
Non-Performing		
Individually Impaired	90+ DPD*	Stage 3

* Classified as Non Performing Assets (NPA) as per RBI guidelines

For Details on EAD, LGD, 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 amortized cost represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 1,47,128.75 Lakhs and Rs. 1,12,394.25 Lakhs as of 31 March 2024 and 31st March 2023 respectively, being the total of carrying amount of loans assets.

(B) 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 as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions 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 undiscounted cash flows of the company financial liabilities as at 31 March 2024 and 31 March 2023, refer Note 50(E).

Contractual expiry of commitments

The table below shows the contractual expiry by maturity of the Company's commitments

As at March 31, 2024		Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Particulars	On Demand*					
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	83,224.77	-	-	-	-	83,224.77

* Subject to approval by the Company

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the year:

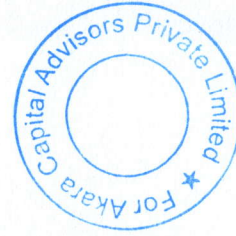
Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate		
Expiring within one year (Loan from Financial Institutions)	3500	1300
Expiring beyond one year (Loan from Financial Institutions)	-	-

(C) Market Risk

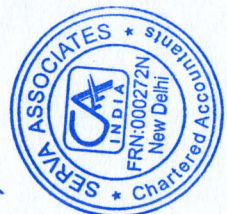
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, price risk and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

Total Market risk exposure

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying amount	Non Traded Risk	Carrying amount	Non Traded Risk
Financial Assets				
Cash and Cash Equivalents	2,116.15	2,116.15	17,737.13	17,737.13
Bank balances other than above	1,670.11	1,670.11	10,974.70	10,974.70
Trade Receivables	664.09	664.09	4,461.68	4,461.68
Loans	1,42,052.21	1,42,052.21	1,06,942.56	1,06,942.56
Investments	-	-	82.04	82.04
Other financial assets	2,957.89	2,957.89	1,467.72	1,467.72
Total financial assets	1,49,460.44	1,49,460.44	1,41,665.83	1,41,665.83
Financial liabilities				
Derivative financial instruments	86.11	86.11	-	-
Trade payables	1,128.28	1,128.28	513.65	513.65
Debt Securities	17,390.17	17,390.17	32,482.13	32,482.13
Borrowings (Other than debt securities)	70,132.31	70,132.31	66,236.50	66,236.50
Other financial liabilities	1,446.57	1,446.57	1,265.84	1,265.84
Total financial liabilities	90,183.44	86.11	1,00,498.12	1,00,498.12



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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, deregulation of the financial sector 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 resource-raising 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 metrically for assessment of interest rate risks.

Interest Rate sensitivity

Interest rate risk arises when 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 immediate impact of variation in interest rate is on the company's net interest income, while a long term impact is on the company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI 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	Basis 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)	(236.40)
Decrease in basis points	-100	152.40	236.40

B. Foreign currency risk :-

The Company has foreign exchange exposure in the form of borrowings from overseas lending agencies as part of its resources 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 transactions) of one of the tranches of Foreign Loan.

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the year expressed in INR, are as follows :-

Particulars	As at March 31st, 2024	As at March 31st, 2023
	USD	USD
Financial assets		
Bank balance in foreign currency	-	-
Derivative assets	-	-
Foreign exchange Forward contracts	-	-
Financial liabilities		
Borrowings in Foreign currency	37,500.73	24,193.19
Derivative liabilities	-	-
Foreign exchange Forward contracts	86.11	0
Net exposure to foreign currency risk (Assets) / Liabilities	37,586.83	24,193.19

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
USD Sensitivity	131.62	-131.62	51.11	-51.11
*Holding all other variables constant				



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)

56 Other Disclosures
Exposures to various sectors- Refer Note 50(F) to Financial Statements.

Related Party	Outstanding at year end/ Highest Outstanding during the year	Parent (As per ownership and control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others*		Total	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Items		38,288.25	24,193.19											38,288.25	24,193.19
Borrowings	Outstanding at year end														
Deposits	Highest Outstanding during the year	38,288.25	24,193.19			189.62		823.00						38,477.87	25,016.19
Placement of deposits															
Advances	Outstanding at year end														
Investments	Highest Outstanding during the year														
Purchase of fixed/other assets															
Sale of fixed/other assets															
Interest Paid	Outstanding at year end	224.10	144.89											224.10	144.89
	Highest Outstanding during the year	739.50	428.07			7.42		10.80						746.92	438.87
Interest Received	Outstanding at year end							10.38							10.38
	Highest Outstanding during the year							20.68							20.68
Director Sitting Fees	Outstanding at year end														
	Highest Outstanding during the year														
Managerial Remuneration to KMP	Outstanding at year end								4.65			6.08		4.65	6.08
	Highest Outstanding during the year								10.55			10.55		10.55	4.23
Others	Outstanding at year end											2.51		2.51	
	Highest Outstanding during the year											0.94		0.94	

C. During the FY 2023-24, there were no instances of material covenant breaches including any breach of security/ Debt repayment.

D. Divergence in Asset Classification and Provisioning in FY 2023-24 - Nil (previous year: Nil)

E. Disclosure on modified opinion, if any, expressed by auditors, its impact on various financial items and views of management on audit qualifications as on March 31, 2024 - Nil (March 31, 2023: Nil)

F. Items of income and expenditure of exceptional nature for the year ended March 31, 2024 - Nil (March 31, 2023: Nil)

G. Disclosure of complaints - Refer Note 50 to Financial Statements.

H. Prior Period Items & Changes in Accounting Policy for the year ended March 31, 2024: Nil

I. Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2024	As at March 31, 2023
Provisions for depreciation on investment		
Provision towards SBT*	2,969.32	1,498.53
Provision for SBT**	2,935.08	3,138.31
Provision made towards Income Tax	1,176.66	1,176.66
Provision made towards Deferred Tax	(2,899.66)	351.50
Provision for Corporate Social Responsibility	63.47	6.28

*Represents impairment on Stage 3 Loan assets based on ECL Model in line with Ind AS 109.

**Represents impairment on Stage 1 and Stage 2 Loan assets based on ECL Model in line with Ind AS 109.

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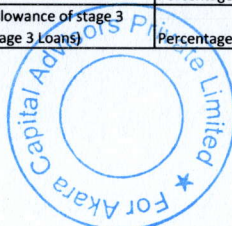
Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2024
(All amount in Rs. in Lakhs, unless stated otherwise)

57 Disclosure as required by Regulation 34(3) and 53(f) 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 other than debt securities + Subordinated debts) / (Net worth)	Times	1.58	2.53
2	Net worth	(Share Capital + Reserves & Surplus - Deferred Revenue Expenditure- Intangible Assets- Deferred Tax Assets)	Rs In Lakhs	55,384.76	39,063.63
3	Net profit after tax		Rs In Lakhs	6,882.12	780.50
4	Total debts to total assets	(Debt Securities + Borrowings other than debt securities + Subordinated debts) / (Total assets)	Times	0.57	0.69
5	Net profit margin (%)	(Net profit after tax / Revenue from Operations)	Percentage	8.77%	3.62%
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%	7.00%
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 (absolute))		2.40	0.33
(ii)	Diluted	(Net profit attributable to the equity shareholders/Weighted average number of shares used in diluted earning per share (absolute))		2.40	0.33
10	Debt Service Coverage Ratio	(EBITDA/(Debt + Interest)	Times	0.21	0.10
11	Interest Service Coverage Ratio	(EBITDA/Interest)	Times	1.67	1.36
12	Financial Assets to Total Assets	(Total Financial Assets/ Total Assets)	Percentage	97.66%	98.82%
13	Financial Income to Total Income	(Total Financial Income/Total Income)	Percentage	100.00%	100.00%
14	Capital Tier 1	(Net Owned Funds)	In Lakhs	55,384.76	39,063.63
15	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)	In Lakhs	2,277.04	1,761.62
16	Total Risk Weighted Assets		In Lakhs	1,82,163.59	1,40,929.40
17	Capital Adequacy Ratio	((Capital Tier1+ Capital Tier 2)/Total Risk Weighted Assets)	Percentage	31.65%	28.97%
18	Gross NPA (%)	(Gross NPA/Gross Loans)	Percentage	4.98%	8.69%
19	Net NPA (%)	(Net NPA/ (Gross Loans-Impairment Allowance)	Percentage	2.27%	7.45%
20	Provision Coverage Ratio	(Impairment Allowance of stage 3 Loans/ Gross Stage 3 Loans)	Percentage	55.65%	48.58%



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)

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	Debenture 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

- 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, Trade Payable Turnover Ratio, Net Capital Turnover Ratio 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 Calculations are stated based on stage 3 loans.
- 5 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.

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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 Initial Disclosure under SEBI circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 on Large corporates

The Company is not a Large Corporate as per the applicability criteria given under SEBI circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023. Thus, disclosures 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/DDHS/DDHS-RACPOD1/P/CIR/2023/172:-

S.No.	Particulars	Amount
i	Outstanding Qualified borrowing of company as on March 31st, 2023	52,998.22
ii	Outstanding Qualified borrowing of company as on March 31st, 2024	29,884.36
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	20,450.00

60 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. 409.30 lakhs (March 31, 2023- Rs. 1,200.81 lakhs) relating to self generated intangible assets for development of software. Refer Note 9(d) 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 9(c) to Financial Statements.

61 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

62 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 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	-	-	10.38	0.01%

*The outstanding balance of related party loans as on 31st March 2024 and 31st March 2023 is nil. Interest on such loan during the year ending March 31, 2024 amounting to Rs. Nil (March 31, 2023 - Rs. 32.40.)
The o/s balance as on March 31, 2023 only pertains to interest on such loans.*

63 Figures for the previous year have been regrouped/re-classified to confirm 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 29-05-2023

For Serva Associates
Chartered Accountants
ICAI Firm Registration No: 000272N

CA Surendar Kumar Jain
Partner
Membership No. 016520
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: 06867269
Place: New Delhi
Date: 29-05-2024

Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 29-05-2024

