

Independent Auditor's Review Report on the Unaudited Financial Results of the company for the quarter ended December 31, 2024 Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, as amended.

To the Board of Directors

Introduction

- 1. We have reviewed the accompanying statement of unaudited standalone financial information ('the Statement') of Akara Capital Advisors Private Limited ('the Company') for the Quarter & Nine Months ended 31st December 2024, prepared by the Company's management, pursuant to the requirements of SEBI circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024, pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. The Statement is the responsibility of the Company's management and has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review of the Statement, which has been prepared by the management in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 (the 'Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time, which is applicable to the Company.**

Scope of Review

- 2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.**
- 3. We have planned and performed our review using the materiality level specified in the aforesaid Group Review Instructions, which is different than the materiality level that we would have used had we designed the review to express a conclusion on the Statement in accordance with SRE 2410.**

Conclusion

- 4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the**



recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as specified in paragraph 1 above, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Restriction on distribution or use

5. The Statement has been prepared by the Company's Management for the Quarter & Nine Months ended 31st December 2024, pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time and also for use by the statutory auditors of the Company for the purpose of their limited review of the financial results for the Quarter & Nine Months ended 31st December 2024, and therefore, it may not be suitable for other purpose. This review report is issued solely for the aforementioned purpose, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N

Nitin Jain
(Partner)
Membership Number: 506898
Date: 14th February 2025
UDIN: 25506898BMIIXY6955
Place: New Delhi

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

Statement of unaudited financial results for the quarter ended Dec 31, 2024

(₹ in lakhs except otherwise stated)

Particulars	Quarter ended			Nine months ended		Year ended
	Dec 31, 2024 (Unaudited)	Sep 30, 2024 (Unaudited)	Dec 31, 2023 (Unaudited)	Dec 31, 2024 (Unaudited)	Dec 31, 2023 (Unaudited)	March 31, 2024 (Audited)
Revenue from operations						
Interest income	14,070.89	13,702.16	15,569.19	41,953.23	49,561.12	64,146.60
Fees and commission income	3,791.67	3,608.14	2,206.27	11,336.19	9,627.05	14,316.44
Net gain on fair value change on financial instruments	208.99	107.64	-	321.16		-
(I) Total revenue from operations	18,071.55	17,417.94	17,775.47	53,610.57	59,188.16	78,463.04
(II) Other income	898.47	860.23	825.74	2,437.52	865.57	2,229.45
(III) Total income (I+II)	18,970.02	18,278.17	18,601.20	56,048.09	60,053.74	80,692.48
Expenses						
Finance costs	3,770.02	3,886.67	3,574.19	10,865.30	10,762.98	14,985.09
Net loss on fair value changes	-	-	73.99	-	73.99	86.11
Impairment on financial instruments	9,988.40	10,175.94	8,051.80	27,166.38	38,205.56	42,568.19
Employee benefit expenses	1,178.27	858.72	645.93	2,809.81	1,877.02	3,529.98
Depreciation and amortization	78.82	78.18	114.22	234.12	333.58	1,047.07
Other expenses	1,686.81	1,621.30	1,212.11	4,891.42	8,892.12	11,264.10
(IV) Total expenses	16,702.31	16,620.82	13,672.24	45,967.03	60,145.26	73,480.54
(V) Profit before tax (III-IV)	2,267.71	1,657.35	4,928.97	10,081.05	(91.53)	7,211.95
(VI) Tax expense						
(1) Current tax	671.98	783.00	1,393.00	3,126.51	1,782.83	3,218.31
(2) Tax related to earlier years		-	-			11.17
(3) Deferred tax	(306.80)	(183.54)	(81.00)	(569.92)	(3,574.07)	(2,899.67)
Total tax expense	365.18	599.46	1,312.01	2,556.59	(1,791.24)	329.82
(VII) Profit for the period (V-VI)	1,902.53	1,057.90	3,616.96	7,524.47	1,699.71	6,882.13
(VIII) Other comprehensive income / (expenses)						
Items that will not be reclassified to profit or loss						
- Remeasurements of the defined benefit plans	(24.58)	(12.07)	(2.24)	(39.67)	(7.97)	(15.68)
Income tax relating to items that will not be reclassified to profit or loss	6.19	3.04	0.56	9.99	2.01	3.95
Other comprehensive income/(expenses)	(18.39)	(9.03)	(1.68)	(29.69)	(5.96)	(11.74)
(IX) Total comprehensive income for the year/period (VII+VIII) (comprising profit/(loss) and other comprehensive income/(expenses) for the year/period)	1,920.92	1,048.86	3,615.29	7,494.78	1,693.75	6,870.39
(X) Earnings per equity share						
Basic (₹)	0.60	0.33	1.28	2.38	0.60	2.40
Diluted (₹)	0.60	0.33	1.27	2.38	0.60	2.40

Place : Delhi
Date:-14-02-2025

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Shruti Aggarwal
Director
DIN: 06867269

Notes:

- 1) The Company is a systemically important non-deposit taking non-banking financial company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934.
- 2) The financial results for the quarter and year ended Dec 31, 2024, have been reviewed by the audit committee and approved by the board of directors at its meeting held on Feb 14, 2025. The report is being filed with the BSE limited.
- 3) The above financial results have been prepared in accordance with the requirements of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended and the Indian Accounting Standards ("IND AS") notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidelines and directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/applicable.
- 3) Pursuant to the RBI circular dated February 15, 2022, the Company has implemented necessary system in place to align its definition of default for loan assets with the guidelines stipulated in RBI circular dated November 12, 2021 - "Prudential Norms on Income Recognition, Asset classification and Provisioning pertaining to Advances- Clarifications" (the "RBI circular") for regulatory reporting, as applicable. The financial results for the quarter and year ended Dec 31, 2024, are prepared in accordance with the applicable Ind-AS guidelines and the RBI Circular dated March 13, 2020 – "Implementation of Indian Accounting Standards".
- 4) There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 5) Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the secured listed Non-Convertible Debentures of the Company are secured by first and exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 100% and above as per the terms of issue.
- 6) Disclosures in compliance with Regulation 52(4) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended Dec 31, 2024 is attached as Annexure I to these financial results.
- 7) The previous period's / year's figures have been regrouped / reclassified/Restated, wherever necessary, to correspond with the current period's / year's classification / disclosure.

Place : Delhi
Date : 14-02-2025

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

Shruti Aggarwal
Director
DIN : 06867269

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Annexure I:

Additional Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as at Dec 31, 2024 with respect to listed debentures of the Company issued on a private placement basis.

S No	Particulars	For the period ended Dec 31, 2024
(a)	Debt – Equity Ratio (Debt Securities + Borrowings other than debt securities + Subordinated debts) / (Net worth)	1.58
(b)	Net worth (Share Capital + Reserves & Surplus - Deferred Revenue Expenditure- Intangible Assets- Deferred Tax Assets) (₹ in lakh)	62,397.44
(c)	Net profit after tax (₹ in lakh)	1,902.53
(d)	Total debts to total assets (Debt Securities + Borrowings other than debt securities + Subordinated debts) / (Total assets)	0.57
(e)	Net profit margin (%) (Net profit after tax / Revenue from Operations)	10.53%
(f)	Earnings per share	
	(i) Basic (₹)	0.60
	(ii) Diluted (₹)	0.60
(g)	Debt Service Coverage Ratio	0.07
(h)	Interest Service Coverage Ratio	1.46
(i)	Outstanding Redeemable Preference Shares	NA
(j)	Debenture Redemption Reserve	NA
(k)	Current Ratio	NA
(l)	Long Term Debt to Working Capital	NA
(m)	Bad Debt to Amount Receivable	NA
(n)	Current liability Ratio	NA
(o)	Debtors Turnover Ratio	NA
(p)	Inventory Turnover Ratio	NA
(q)	Operating Margin (%)	NA
(r)	Other Regulatory Ratios	
	(a) Financial Assets to Total Assets (Total Financial Assets/ Total Assets)	97.57%
	(b) Financial Income to Total Income (Total Financial Income/Total Income)	98.90%
	(c) Capital Tier I (Net Owned Funds)	62,397.44
	(d) Capital Tier II (General provisions and loss reserves including Provision for Standard Assets (to the extent not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of 1.25% of RWA)	2,439.02
	(e) Total Risk Weighted Assets	195,121.53
	(f) Capital Adequacy Ratio	33.23%
	(g) As per RBI asset classification norms	
	Gross NPA (%) (Gross NPA/Gross Loans)	4.38%
	Net NPA (%) (Net NPA/ (Gross Loans-Impairment Allowance)	2.28%
	Provision Coverage Ratio (Impairment Allowance of stage 3 Loans/ Gross Stage 3 Loans)	51.54%

1 The following ratios are not applicable to the company as it is an NBFC:

Current Ratio, Current Liability Ratio, Debt Service Coverage Ratio, Interest Service Coverage Ratio, Long-Term Debts to Working Capital Ratio, Bad Debts to Accounts Receivable Ratio, Debtors Turnover, Inventory Turnover and Operating Profit Margin

2 Capital Redemption Reserve/Debenture Redemption Reserve is not applicable to the company**3 In the calculation of Net Owned Funds(NOF), Deferred Revenue Expenditure includes Unamortised Borrowing Cost****4 NPA Calculatiions are stated based on stage 3 loans.**