(This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Serial No.: AKAR/2022-23/621
Addressed to: Northern Arc Capital Limited

PLACEMENT MEMORANDUM / PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

AKARA CAPITAL ADVISORS PRIVATE LIMITED
("**Issuer**" / "**Company**")

A private limited company incorporated under the Companies Act, 2013
Placement Memorandum for issue of Debentures on a private placement basis
Dated: 28th December, 2022

ISSUE OF 300 (THREE-HUNDRED) RATED SENIOR, SECURED LISTED, TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKH ONLY) AND AN AGGREGATE FACE VALUE OF INR 30,00,00,000 (INDIAN RUPEES THIRTY CRORES) ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

PART A: DISCLOSURES AS PER SEBI NCS Regulations:

*** Please refer pages 1-4 for all information required to be placed on the front page of a placement memorandum as per Schedule II of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021*.

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

S. No.	Particulars	Relevant Disclosure
1.	**Corporate Identity Number of the Issuer**:	U74110DL2016PTC290970
2.	**Permanent Account Number of the Issuer**:	AAOCA1452F
3.	**Date and place of Incorporation of the Issuer**:	Date of incorporation: 11th February, 2016 Place of incorporation: New Delhi, India
4.	**Latest registration / identification number issued by any regulatory authority which regulates the Issuer (in this case the RBI)**:	290970
5.	**Registered Office address of the Issuer**:	60, Third Floor, Arjun Nagar, Kotla Mubarak Pur, New Delhi - 110003
6.	**Corporate Office address of the Issuer**:	CRC-2, 1st Floor, Khasra No. 337, Mehrauli-Gurgaon Rd, Sultanpur, New Delhi, Delhi 110030
7.	**Telephone No of the Issuer**:	9643309883
8.	**Details of Compliance officer of the Issuer:**	Name: Ms. Sonia Thakur Telephone Number: 9643309883 Email address: sonia.thakur@stashfin.com

9.	**Details of Company Secretary of the Issuer**:	Name: Ms. Sonia Thakur Telephone Number: 9643309883 Email address: sonia.thakur@stashfin.com
10.	**Details of Chief Financial Officer of the Issuer**:	Name: Ms. Shruti Aggarwal Telephone Number: 9643309883 Email address: shruti.aggarwal@stashfin.com
11.	**Details of Promoters of the Issuer:**	Name: Morus Technologies Pte Ltd Telephone Number: 9643309883 Email address: accounts@stashfin.com
12.	**Website address of the Issuer**:	www.akaracap.com
13.	**Email address of the Issuer**:	cofficer@akaracap.com
14.	**Details of debenture trustee for the Issue:**	Name: **MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED** 1st Floor, Kubera Chambers, Shivajinagar, Pune – 411 005 Logo: MITCON CREDENTIA Telephone Number: **022-22828200/40** Email address: contact@mitconcredentia.in Contact person: Mr. Navin Chouksey
15.	**Details of credit Rating Agent for the Issue:**	Name: ICRA Analytics Limited Address: 17th Floor, Plot G-1, Infinity Benchmark, Block GP, Sector V, Salt Lake, Kolkata, West Bengal - 700091 Logo: ICRA ANALYTICS Telephone Number: +91-22-61796300 Email address: ashwini.kumar@icraanalytics.com Contact person: Mr. Ashwini Kumar
16.	**Date of placement memorandum / Placement Memorandum**	28th December 2022
17.	**Type of placement memorandum / Placement Memorandum**	This Placement Memorandum is being issued in relation to the private placement basis of Debentures.
18.	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	Base Issue - 300 (Three Hundred) fully paid, , secured, rated, listed, non-convertible debentures of the nominal value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each, aggregating up to INR 30,00,00,000/- (Indian Rupees Thirty Crores Only). Green Shoe Option- Not Applicable
19.	**The aggregate amount proposed to be raised through all the stages of offers of non-convertible**	Not applicable.

	securities made through the shelf placement memorandum;	
20.	**Details of Registrar to the Issue:**	Name: BIGSHARE SERVICES PRIVATE LIMITED Address: 1st Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059 Logo: Bigshare Services Pvt. Ltd. Telephone Number: 022 6263 8200 Fax number: NA Website: https://www.bigshareonline.com/ Email address: mukesh@bigshareonline.com
21.	**Legal Counsel**	Verist Law Address: The Empire Business Centre, 414 Senapati Bapat Marg, Lower Parel, Mumbai 400013 Logo: VERIST LAW Telephone: +91 2266 907 368 Website: www.veristlaw.com Email: srishti.ojha@veristlaw.com
22.	**Issue Schedule**	Date of opening of the Issue: 28th December, 2022 Date of closing of the Issue: 28th December, 2022 Date of earliest closing of the Issue (if any): 28th December, 2022 Pay-in date: 28th December, 2022 Deemed Date of Allotment of the Debentures: 28th December, 2022 Redemption Date: 28th June, 2024
23.	**Credit Rating of the Issue**	The Rating Agent has vide its letter dated 16th December, 2022 and rating rationale and its press release dated 20th October, 2022 assigned a rating of "BBB" (pronounced as "triple B") in respect of the Debentures. Please refer to **Annexure II** of this Placement Memorandum for the letter dated 16th December, 2022 and rating rationale dated 20th October, 2022 from the Rating Agent assigning the credit rating abovementioned and the press release by the Rating Agent in this respect. https://www.icra.in/Rationale/ShowRationaleReport/?Id=115218
24.	**All the ratings obtained for the private placement of Issue**	Please refer to S.no 23 (*Credit Rating of the Issue*) above. No other ratings have been obtained for the purposes of this Issue.
25.	**The name(s) of the stock exchanges where the securities are proposed to be listed**	The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited ("**BSE**"). Please refer to **Annexure IX** (*In-Principle approval received from BSE*) of this Placement Memorandum for the in-principle approval for listing obtained from BSE). BSE Limited shall be the 'Designated Stock Exchange' for the purpose of maintenance of the recovery expense fund prescribed

		by SEBI under the SEBI circular dated 22nd October 2020 bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207.
26.	**The details about eligible investors;**	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"): (a) Resident Individuals (b) Hindu Undivided Family (c) Trust (d) Limited Liability Partnership, Partnership Firms (e) Portfolio Managers and Foreign Portfolio Managers registered with SEBI (f) Association of Persons (g) Companies and Body Corporates including all Public Sector Undertakings (h) Commercial Banks, Regional Rural Banks, Financial Institutions (i) Insurance Companies (j) Mutual Funds, Alternative Investment Funds (AIFs) (k) Any other investor eligible to invest in the Debentures All potential investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. **Note:** Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.
27.	**Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee**	In respect of the coupon rate, the coupon payment frequency, the redemption date and redemption amount in respect of the Debentures, please refer to Section 5.35 (*Issue Details*) of this Placement Memorandum. The details of Debenture Trustee are provided under S. No. 14 above.
28.	**Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable**	Base Issue of 300 (Three Hundred) fully paid, senior, secured, rated, listed, non-convertible debentures of the nominal value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each, aggregating up to INR 30,00,00,000/- (Indian Rupees Thirty Crores Only) in one tranche. Green shoe option: Not applicable

29.	**Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:**	Not applicable.
30.	**Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the placement memorandum on the Electronic Book Provider Platform, if applicable.**	The Debentures do not exceed the threshold for mandatory electronic book platform as prescribed under Chapter VI of the Securities and Exchange Board of India Operational Circular dated 10th August 2021 having reference no. SEBI/HO/DDHS/P/CIR/ 2021/613 (as updated from time to time) and hence the issuer is not required to comply with the EBP requirement.
31.	**Specific declaration requested by BSE: non-equity regulatory capital**	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI NCS Regulations. The face value of each Debenture is INR 10,00,000 (Indian Rupees Ten Lakh Only).

Background

This Placement Memorandum (as defined below) is related to the 300 (Three Hundred) fully paid, senior, secured, rated, listed, non-convertible debentures of the nominal value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each, aggregating up to INR 30,00,00,000/- (Indian Rupees Thirty Crores Only) to be issued by **Akara Capital Advisors Private Limited** (the "**Issuer**" or "**Company**") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Placement Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on 24th November, 2022 and the Board of Directors of the Issuer on 17th November, 2022, and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated 24th November, 2022 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 30,00,00,000 (Indian Rupees Thirty Crores only). The present issue of Debentures in terms of this Placement Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

THIS PLACEMENT MEMORANDUM IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED UNDER THE ISSUE.

THIS PLACEMENT MEMORANDUM IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE CIRCULAR NUMBER SEBI/LAD-NRO/GN/2021/ 39 DATED 09TH AUGUST 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE OPERATIONAL CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/P/CIR/2021/613 DATED 10TH AUGUST, 2021, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS.

Wilful Defaulters

THE ISSUER, ITS DIRECTORS AND PROMOTERS HAVE NOT BEEN DECLARED AS A WILFUL DEFAULTER BY RBI OR ANY OTHER AUTHORITY. PLEASE REFER TO **SECTION 6** (*DISCLOSURES PERTAINING TO WILFUL DEFAULTERS*) FOR THE DISCLOSURES PERTAINING TO WILFUL DEFAULT.

Issuer's Absolute Responsibility
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

Issue Schedule	
Particulars	**Date**
Issue Opening Date	28th December, 2022
Issue Closing Date	28th December, 2022
Pay In Date	28th December, 2022
Deemed Date of Allotment	28th December, 2022

GENERAL RISK

INVESTMENT IN THE DEBENTURES INVOLVES A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS ISSUE UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT AND SUCH RISKS AS ATTACHED TO SUCH INVESTMENTS. PROSPECTIVE INVESTORS ARE ADVISED TO MAKE AN INFORMED DECISION AND TO READ **SECTION 3** (*RISK FACTORS*) OF THIS PLACEMENT MEMORANDUM CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR THE PURPOSES OF TAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER, THE ISSUE, THE PLACEMENT MEMORANDUM INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF THE PROSPECTIVE INVESTORS IS INVITED TO THE STATEMENT OF RISK FACTORS CONTAINED UNDER **SECTION 3** (*RISK FACTORS*) OF THIS PLACEMENT MEMORANDUM. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE DEBENTURES OR PROSPECTIVE INVESTOR'S DECISION TO PURCHASE SUCH DEBENTURES.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN LEGAL, REGULATORY, TAX, FINANCIAL AND/OR ACCOUNTING ADVISORS ABOUT RISKS ASSOCIATED WITH AN INVESTMENT IN SUCH DEBENTURES AND THE SUITABILITY OF INVESTING IN SUCH DEBENTURES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

THE ISSUE HAS NOT BEEN RECOMMENDED OR APPROVED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (**"SEBI"**) NOT DOES SEBI GUARANTEE THE ACCURACY AND ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

TABLE OF CONTENTS

SECTION 1: DEFINITIONS AND ABBREVIATIONS 8
SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS 17
SECTION 3: RISK FACTORS 22
SECTION 4: FINANCIAL STATEMENTS 28
SECTION 5: REGULATORY DISCLOSURES 29
SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT 70
SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS 71
SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS 98
SECTION 9: UNDERTAKING 106
SECTION 10: DECLARATION BY THE DIRECTORS 126

ANNEXURE I: TERM SHEET 128
ANNEXURE II: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENT 129
ANNEXURE III: CONSENT LETTER AND ENGAGEMENT LETTER FROM THE DEBENTURE TRUSTE 130
ANNEXURE IV: APPLICATION FORM 131
ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS 135
ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS 136
ANNEXURE VII: DUE DILIGENCE CERTIFICATE 136
ANNEXURE VIII: TERMS AND CONDITIONS OF DEBENTURE TRUSTEE AGREEMENT 138
ANNEXURE IX: IN-PRINCIPLE APPROVAL RECEIVED FROM BSE 139
ANNEXURE X: LENDING POLICY 140
ANNEXURE XI: ALM STATEMENTS AS ON 30TH SEPTEMBER 2022 141
ANNEXURE XII: BOARD RESOLUTION ATTACHED SEPARATELY 143
ANNEXURE XIII: SHAREHOLDERS RESOLUTION 144

SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Placement Memorandum.

Act	means the Companies Act 2013 and includes any rules, circulars, notifications and orders framed/ issued thereunder and any statutory modifications, re-enactments or amendments thereof or of such rules, circulars, notifications, orders, as issued from time to time.
Allot/Allotment/Allotted	The allotment of the Debentures pursuant to this Issue.
Applicable Law	shall mean any statute, national, state, provincial, local, municipal or other law, regulation, ordinance, rule, judgment, order, decree, byelaws, approval of Governmental Authority, directives, guidelines, policy requirement, circulars or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law in India of any of the foregoing by Governmental Authority in India.
Applicable Accounting Standards	shall mean (a) until the adoption of Indian Accounting Standards (Ind-AS) in accordance with Applicable Law, generally accepted accounting principles in India, and (b) thereafter, Indian Accounting Standards, in each case as amended, supplemented or re-issued from time to time, applied on a consistent basis both as to amounts and to classification of items.
Applicant	means a Person who is eligible to invest in the Debentures and has submitted / will be submitting an Application for subscribing to the Debentures in accordance with the terms of the PPAOL and other Transaction Documents.
Application Form	means an application for subscribing to the Debentures, which is in the form annexed to this Placement Memorandum and marked as **Annexure IV**.
Application Monies	means money paid or payable by an Applicant on its Application for subscription to the Debentures.
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards
Beneficial Owner(s)/Debenture Holder(s)	means the Persons who are, for the time being, and from time to time, and who will become the owners of the Debentures in electronic (dematerialized) form, and whose names appear in the list of the beneficial owner(s)/register of beneficial owners(s) prepared, held and given by the Depository, and **"Beneficial Owner"** means each such Person and includes their respective successors/ transferees and assigns.
Board / Board of Directors	The Board of Directors of the Issuer for the time being and from time to time.
BSE	means the BSE Limited.
Business Day	means any day (other than a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881) on which the commercial banks are open for business in New Delhi, India. For the purpose of this definition, in respect of: (a) Announcement of issue period: Business Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in New Delhi, India are open for business. (b) The time period between the Issue Closing Date and the listing of the Debentures on the BSE: Business Day shall mean all trading days of the stock exchanges for non-

	convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by the Board.
Capital Adequacy Ratio	means the ratio of (a) the Tier I Capital and the Tier II Capital of the Issuer, to (b) the aggregate of the risk weighted assets on-balance sheet and the risk adjusted value of off-balance sheet items of the Issuer.
CDSL	Central Depository Services (India) Limited.
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest.
Client Loan	means each loan disbursed by the Issuer as a lender and "Client Loans" shall construed accordingly.
Client Protection Claim	means any claim, proceeding or investigation by a person in respect of any Client Protection Laws.
Client Protection Laws	means any laws, rules or regulations applicable to the Issuer as a non-banking finance company or otherwise concerning consumer protection matters.
Company/Issuer	**Akara Capital Advisors Private Limited**, a private limited company incorporated under the Companies Act, 2013 having corporate identity number U74110DL2016PTC290970 and registered as a non-banking financial company with the Reserve Bank of India, having its registered office at 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi - 110003, India and acting through its office at CRC-2, 1st Floor, Khasra No. 337, Mehrauli-Gurgaon Rd, Sultanpur, New Delhi, Delhi 110030.
Conditions Precedent	means the conditions precedent set out under the heading in Section 5.35 (*Issue Details*) of this Placement Memorandum.
Conditions Subsequent	means the conditions subsequent set out in Section 5.35 (*Issue Details*) of this Placement Memorandum.
Constitutional Documents / Charter Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
Control	shall mean right to appoint majority of the directors or to control the management or policy decisions by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.
Debenture Trust Deed/DTD	means the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustee	MITCON Credentia Trusteeship Services Limited
Debenture Trustee Agreement	means the agreement executed / to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
Debentures	means 300 (three hundred) fully paid, senior,, secured, rated, listed, non-convertible debentures of the nominal value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each, aggregating up to INR 30,00,00,000/- (Indian Rupees Thirty Crores Only) on a private placement basis.
Deed of Hypothecation	shall mean the unattested deed of hypothecation dated on or around the date of the Debenture Trust Deed to create a first ranking, exclusive, current and continuing charge over the Hypothecated Assets, to be executed between the Issuer and the Debenture Trustee to secure the Secured Obligations in relation to

	the Debentures.
Deemed Date of Allotment	28th December, 2022
Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Debentures, being NSDL and CDSL.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated Stock Exchange	The stock exchange designated by the Issuer under the Placement Memorandum being BSE Limited for the purposes of maintaining the recovery expense fund in terms of Regulation 11 of the SEBI NCS Regulations read with SEBI Circular dated 22nd October 2020 bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/ 207, titled Contribution by Issuers of listed or proposed to be listed debt securities towards creation of “Recovery Expense Fund”.
Director(s)	Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
DRR	has the meaning given to it in Section 5.32(a)
Due Date	means the date on which any interest or liquidated damages, any Redemption Payment or premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to each of Redemption Dates, and any other date on which any payment is to be made by the Issuer under the Transaction Documents.
EFT	Electronic Fund Transfer
Eligible Investors	has the meaning given to it under Section 8.14 of the Placement Memorandum.
Events of Default	means the events of default set out in Section 5.35 (*Issue Details*) of this Placement Memorandum, and "Event of Default" shall be construed accordingly.
Exclusion List	means the list of excluded activities set out in the DTD.
Final Redemption Date	means the date occurring on the expiry of a period of 18 (Eighteen) months from the Deemed Date of Allotment, being, 28th June, 2024, or such other earlier date on which the Debentures are required to be redeemed pursuant to the Transaction Documents.
Final Settlement Date	means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders
Financial Indebtedness	shall mean in relation to any Person any indebtedness of such Person for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent; (c) any amount raised by acceptance of vendor bill discounting facility, receivables bill discounting or dematerialised

	equivalent; (d) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument including any accrued interest or redemption premium thereon; (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, including on any other direct or indirect or secured or unsecured recourse basis; (h) shares which are expressed to be redeemable, or any shares or instruments convertible into shares, or any shares or other securities, in each case which are otherwise the subject of a put option or call option or any form of guarantee; (i) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (j) any amount of any liability under any advanced or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; (k) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and (l) the amount of any liability in respect of any indemnity (without double counting) for any of the items referred to in paragraphs (a) to (k) above.
Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year
Form PAS-3	The return of allotment required to be filed by the Issuer pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014 relating to the Debentures.
Form PAS-5	The record of private placement maintained by the Issuer pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014 relating to the Debentures.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organisation, established under any Applicable Law.

Gross Loan Portfolio	means the outstanding principal amounts of all Client Loans originated by the Issuer on its own books, securitized portfolio as well as Client Loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book.
Gross NPA	means the outstanding principal amounts of the Client Loans originated by the Issuer that have one or more instalments of principal overdue for 90 (ninety) days or more and any advances that are restructured.
Group Entities	means and refers to the subsidiaries of the Issuer, associate companies (as defined under the Act) of the Issuer, and the entities under Control of the Issuer, from time to time, and "**Group Entity**" shall mean anyone of them.
Guarantor	Means EQX Analytics Private Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 with corporate identification number U67190DL2016PTC290928 and having its registered office at 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi - 110003, India.
Hypothecated Assets	has the meaning given to it in the Section 5.35 (*Issue Details*).
ICRA	shall mean ICRA Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L74999DL1991PLC042749 and its registered office at B-710, Statesman House 148, Barakhamba Road, New Delhi - 110001, India.
Interest Payment Dates	means the payment dates as specified in Annexure VI of this Placement Memorandum.
Interest Rate/Coupon Rate	means 11.75% (Eleven decimal Seven Five per cent) per annum payable monthly.
Issue	means the private placement of the Debentures.
Issue Closing Date	28th December, 2022
Issue Opening Date	28th December, 2022
SEBI Operational Circular	means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, or restated from time to time.
Listing Period	has the meaning given to it in Section 5.35 (*Issue Details*).
LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, modified or restated from time to time.
Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 51% (fifty one percent) of the value of the Outstanding Principal Amounts of the Debentures.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
Material Adverse Effect	Material Adverse Effect' shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Issuer where net worth erodes by more than 30%; (ii) the ability of the Issuer to perform their obligations under

	the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Monthly Hypothecated Assets Report	has the meaning given to it in the Deed of Hypothecation.
NBFC	Non-banking financial company
NBFC Directions	means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable read together with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on "Implementation of Indian Accounting Standards" (as amended, modified or restated from time to time).
N.A.	Not Applicable
Net NPA	means, in respect of the Issuer's entire assets under management, the Gross NPA less the provisioning made in respect of the non-performing assets (determined in accordance with the NBFC Directions).
Net Worth	has the meaning given to it in the Act.
NSDL	National Securities Depository Limited
Off Balance Sheet Portfolio	means the outstanding principal balance of all Client Loans securitised, assigned, originated on behalf of other institutions otherwise sold off in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever including Client Loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book, excluding interest receivables and accrued interest.
Outstanding Amounts	shall mean the Coupon, Default Interest, if any, additional interest, liquidated damages (if any) payable in relation to the Debentures, costs, indemnities, charges, expenses, fees (including the remuneration of the Debenture Trustee, Rating Agent and the Receiver, attorneys etc. and), all taxes, levies, cess including stamp duty and any/all other reasonable amounts, costs, charges due and payable by the Issuer under the Transaction Documents.
Outstanding Principal Amount	means, at any date, the principal amount outstanding under the Debentures.
PAN	Permanent Account Number
Payment Default	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under paragraph (i) under the section named "Events of Default" under Section 5.35 (*Issue Details*) of this Placement Memorandum.
Person	shall include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Government Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of

	trust shall include the trustee(s) for the time being and from time to time. The term "Persons" shall be construed accordingly.
Placement Memorandum/Offer Document	means this placement memorandum issued by the Issuer for the issue of the Debentures on a private placement basis in accordance with Applicable Laws.
Private Placement Offer cum Application Letter/PPOA	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoter	means Morus Technologies Pte. Limited, a company incorporated under the laws of Singapore with registration number 201701142M and having its registered office at 105 Cecil St, #13-01 The Octagon, Singapore – 069534.
Purpose	means the ongoing business purposes of the Issuer by way of on-lending by the Issuer for origination of personal loans.
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "**Quarterly Dates**" shall be construed accordingly.
Rating	ICRA BBB (Stable) assigned by the Rating Agent.
Rating Agent	means ICRA Limited, having its registered office at B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001, India
RBI	Reserve Bank of India.
Record Date	mean the date being 15 (fifteen) days prior to each Due Date or any other payment date by acceleration. In case of dissolution/ bankruptcy/insolvency/winding up of Debenture Holders, the debenture certificates shall be transmittable to the legal representative(s)/successor(s) or the liquidator as the case may be in accordance with Applicable Law and on such terms as may be deemed appropriate by the Issuer.
Redemption Date	means each of the Final Redemption Date and the dates on which a Redemption Payment is required to be made as more particularly set out in Annexure VI of this Placement Memorandum and any other date on which a Redemption Payment is to be made.
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Dates (including the Final Redemption Date) or any other date in accordance with the DTD.
Recovery Expense Fund/REF	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of the SEBI Recovery Expense Fund Circular.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Act
R&T Agent/Registrar	Registrar and Transfer Agent to the Issue, in this case being Bigshare Services Private Limited.
Related Party	has the meaning given to it in the Act.
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
Sanctions	means the economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctioning Authority.
Sanctioning Authority	means any of the United Nations Security Council, the European Union (or member state thereof), the United Kingdom (including Her Majesty's Treasury) and the United States (including OFAC).
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Centralized	means the requirements prescribed in Chapter IV *(Centralized*

Database Requirements	*Database for corporate bonds/ debentures*) of the SEBI Operational Circular.
SEBI Defaults (Procedure) Circular	means the SEBI circular bearing reference number SEBI/HO/ MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "*Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities*".
SEBI Due Diligence Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*" read with the SEBI circular bearing reference number SEBI/HO/DDHS/DDHS_Div1/ P/CIR/2022/106 dated August 4, 2022 on "*Enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence*", each as amended, modified, or restated from time to time.
SEBI ILNCS Regulations/ SEBI NCS Regulations	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the SEBI Operational Circular, as amended from time to time.
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI Operational Circular.
SEBI Monitoring Circular	means the SEBI circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23 dated November 12, 2020 on "*Monitoring and Disclosures by Debenture Trustee(s)*" read with SEBI's circular bearing reference number SEBI/HO/MIRSD/ CRADT/CIR/P/2022/67 dated May 19, 2022 on "*Revised format of security cover certificate, monitoring and revision in timelines*", each as amended, modified, or restated from time to time.
SEBI Recovery Expense Fund Circular/SEBI REF Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated 22nd October, 2020 on "*Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund*" issued by SEBI
Secured Obligations	shall mean the aggregate of the Outstanding Amounts and the Redemption Amounts
Security Cover	has the meaning given to it in the Section 5.35 (*Issue Details*).
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Stock Exchange	Means BSE Limited
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets", as may be amended, modified or restated from time to time.
Tangible Net Worth	means, with respect to any person, the Net Worth of such person, less intangible assets and deferred tax assets.
Tax	shall mean any present or future tax, including but not limited to indirect taxes such as goods and services tax, service tax, value added tax or other similar taxes), levy, duty deductions, withholdings, imposts, cesses, fees or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Applicable Laws.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under the DTD.
TDS	Tax Deducted at Source.
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.

Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions.
Total Assets	means, for any date of determination, the total assets of the Issuer on such date.
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 7 of this Placement Memorandum.
Transaction Security	has the meaning given to it in the Section 5.35 (*Issue Details*).
WDM	Wholesale Debt Market segment of the BSE
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Placement Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Placement Memorandum to be filed or submitted to the SEBI for its review and/or approval. This Placement Memorandum has been prepared in conformity with the SEBI NCS Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This Placement Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Placement Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Placement Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Placement Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Placement Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Placement Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Placement Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Placement Memorandum and/or the Private Placement Offer cum Application Letter are adequate and in conformity with the SEBI NCS Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Placement Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Placement Memorandum would be doing so at its own risk.

This Placement Memorandum, the Private Placement Offer cum Application Letter and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Placement Memorandum and/or the Private Placement Offer cum Application Letter are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this Placement Memorandum and/or the Private Placement Offer cum Application Letter being issued have been sent. Any application by a person to whom the Placement Memorandum and/or the Private

Placement Offer cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Placement Memorandum and/or the Private Placement Offer cum Application Letter shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Placement Memorandum and/or the Private Placement Offer cum Application Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Placement Memorandum) without retaining any copies hereof. If any recipient of this Placement Memorandum and/or the Private Placement Offer cum Application Letter decides not to participate in the Issue, that recipient must promptly return this Placement Memorandum and/or the Private Placement Offer cum Application Letter and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Placement Memorandum and/or the Private Placement Offer cum Application Letter to reflect subsequent events after the date of Placement Memorandum and/or the Private Placement Offer cum Application Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Placement Memorandum and/or the Private Placement Offer cum Application Letter nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Placement Memorandum and/or the Private Placement Offer cum Application Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Placement Memorandum and/or the Private Placement Offer cum Application Letter in any jurisdiction where such action is required. Persons into whose possession this Placement Memorandum and/or the Private Placement Offer cum Application Letter comes are required to inform themselves of, and to observe, any such restrictions. The Placement Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Placement Memorandum has been filed with the BSE in terms of the SEBI NCS Regulations. It is to be distinctly understood that submission of this Placement Memorandum to the BSE should not in any way be deemed or construed to mean that this Placement Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF RBI

The company is having a valid certificate of registration issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayment of deposits/ discharge of liability by the company.

2.4 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI NCS Regulations, it is not stipulated that a copy of this Placement Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Placement Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Placement Memorandum.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Placement Memorandum, who shall be/have been identified upfront by the Issuer. This Placement Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at New Delhi, India. This Placement Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agent has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agent does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agent have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 DISCLAIMER OF DEBENTURE TRUSTEE

(I) The Debenture Trustee or its agents or advisers associated with the Issue do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Placement Memorandum and do not have any responsibility to advise any Investor or prospective Investor in the Debentures of any information available with or subsequently coming to the attention of the Debenture Trustee, its agents or advisors except as specifically provided for in the Debenture Trust Deed.

(II) The Debenture Trustee does not guarantee the terms of payment regarding the issue as stated in this Placement Memorandum and shall not be held liable for any default in the same.

(III) The Debenture Trustee or its agents or advisers associated with the Issue have not separately verified the information contained in this Placement Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by Debenture Trustee as to the accuracy or any other information provided by the Issuer. Accordingly, the Debenture Trustee associated with the issue shall have no liability in relation to the information contained in this Placement Memorandum or any other information provided by the Issuer in connection with the issue.

(IV) The Debenture Trustee is neither a principal debtor nor a guarantor of the debentures.

2.8 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depositary participant. The Issuer will make the Allotment to the Investors on the

Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

ASSUMPTIONS

EACH PERSON RECEIVING THIS PLACEMENT MEMORANDUM SHALL BE DEEMED TO HAVE AGREED THAT AND ACCORDINGLY THE COMPANY SHALL BE ENTITLED TO PRESUME THAT SUCH PERSON:

(1) HAS REVIEWED THE TERMS AND CONDITIONS APPLICABLE TO THE DEBENTURES AS CONTAINED HEREIN AND HAS UNDERSTOOD THE SAME, AND, ON AN INDEPENDENT ASSESSMENT THEREOF, FOUND THE SAME ACCEPTABLE FOR THE INVESTMENT MADE AND HAS ALSO REVIEWED THE RISK FACTORS CONTAINED HEREIN AND HAS UNDERSTOOD THE RISKS, AND THE RISKS INVOLVED IN INVESTING IN THE DEBENTURES INCLUDING FOR ANY REASON HAVING TO SELL THEM OR BE MADE TO REDEEM THEM BEFORE THE FINAL REDEMPTION DATE AND DETERMINED THAT DEBENTURES ARE A SUITABLE INVESTMENT AND THAT THE INVESTOR CAN BEAR THE ECONOMIC RISK OF THAT INVESTMENT;

(2) HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW AND HAS RECEIVED AND REVIEWED THIS PLACEMENT MEMORANDUM AND ALL THE ADDITIONAL INFORMATION CONSIDERED BY AN INDIVIDUAL TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN BELIEVED BY IT TO BE NECESSARY AND APPROPRIATE OR MATERIAL IN CONNECTION WITH, AND FOR, INVESTMENT IN THE DEBENTURES;

(3) ACKNOWLEDGES THAT THE COMPANY DOES NOT UNDERTAKE TO UPDATE THE PLACEMENT MEMORANDUM TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE PLACEMENT MEMORANDUM AND, THUS, IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE ISSUER. NEITHER THE DELIVERY OF THIS PLACEMENT MEMORANDUM NOR ANY SALE OF DEBENTURES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE HEREOF;

(4) ACKNOWLEDGES THAT THIS PLACEMENT MEMORANDUM DOES NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE DEBENTURES OR THE DISTRIBUTION OF THIS PLACEMENT MEMORANDUM IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS PLACEMENT MEMORANDUM AND THE OFFERING AND SALE OF THE DEBENTURES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS PLACEMENT MEMORANDUM COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS;

(5) HAS BEEN AFFORDED AN OPPORTUNITY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN;

(6) HAS SUFFICIENT KNOWLEDGE, EXPERIENCE AND EXPERTISE AS AN INVESTOR, TO MAKE THE INVESTMENT IN THE DEBENTURES;

(7) HAS NOT RELIED ON EITHER THE ISSUER OR ANY OF ITS AFFILIATE, ASSOCIATE, HOLDING, SUBSIDIARY OR GROUP ENTITIES OR ANY PERSON ACTING IN ITS OR THEIR BEHALF FOR ANY INFORMATION, ADVICE OR RECOMMENDATIONS OF ANY SORT EXCEPT AS REGARDS THE ACCURACY OF THE SPECIFIC FACTUAL INFORMATION ABOUT THE TERMS OF THE DEBENTURES SET OUT IN THIS PLACEMENT MEMORANDUM;

(8) HAS UNDERSTOOD THAT INFORMATION CONTAINED IN THISPLACEMENT MEMORANDUM IS NOT TO BE CONSTRUED AS BUSINESS OR INVESTMENT ADVICE;

(9) HAS MADE AN INDEPENDENT EVALUATION AND JUDGMENT OF ALL RISKS AND MERITS BEFORE INVESTING IN THE DEBENTURES;

(10) HAS THE LEGAL ABILITY TO INVEST IN THE DEBENTURES AND THE INVESTMENT DOES NOT CONTRAVENE ANY PROVISION OF ANY LAW, REGULATION OR CONTRACTUAL RESTRICTION OR OBLIGATION OR UNDERTAKING BINDING ON OR AFFECTING THE DEBENTURE HOLDER OR ITS ASSETS; AND

(11) HAS NOT RELIED ON ANY INTERMEDIARY OR ADVISORS THAT MAY BE ASSOCIATED WITH THE ISSUE IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.

SECTION 3: RISK FACTORS

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

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this Placement Memorandum and/or the Private Placement Offer cum Application Letter for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures. Potential Investors should also read the detailed information set out elsewhere in this Placement Memorandum and/or the Private Placement Offer cum Application Letter and reach their own views prior to making any investment decision.

3. GENERAL RISKS

3.1 RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES:

(a) Repayment is subject to the credit risk of the Issuer.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer whereby the Investor(s) may or may not recover all or part of the funds in case of default by the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

(b) The secondary market for non-convertible securities may be illiquid.

The non-convertible securities may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the non-convertible securities, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

(c) Credit Risk & Rating Downgrade Risk

The Rating Agent has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the Rating Agent may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

(d) Changes in interest rates may affect the price of Debentures**.**

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates.

Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

(e) Tax Considerations and Legal Considerations:

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

(f) Accounting Considerations:

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

(g) Material changes in regulations to which the Issuer is subject could impair the Issuer's ability to meet payment or other obligations.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

3.2 **RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES. FURTHER, ANY RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT**

(a) Security and Guarantee may be insufficient to redeem the Debentures

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security and/or invoke the Guarantee as per the terms of security documents, and other related documents executed in relation to the Debentures. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such Security (ii) finding willing buyers for the Security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. There is a risk that the value realised from the enforcement of the Security may be insufficient to redeem the Debentures.

3.3 **REFUSAL IN LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD:**

As of date, the Issuer has not been refused in listing of any security during the last 3 years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

3.4 **LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON STOCK EXCHANGES:**

As of date, we are not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges and therefore, this would not be applicable.

3.5 **IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS, ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED, DEFAULT IN PAYMENT OF INTEREST, DEFAULT IN REDEMPTION OR REPAYMENT, NON-CREATION OF DEBENTURE REDEMPTION RESERVE, DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE**

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

3.6 **RISKS RELATED TO THE BUSINESS OF THE ISSUER**

(a) ***Majority of the Issuer's loans are unsecured and the clients of these unsecured loans are of the high risk category and if the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.***

A majority of the Issuer's loans are unsecured and the clients of these unsecured loans are of the high risk category. There is uncertainty on the client's ability to fulfil its loan obligations as such borrowers typically do not have bank accounts or proper income proof verification so it can be difficult to verify all client details and assess the risk. Such non-performing or low credit quality loans can negatively impact our results of operations.

The Issuer has various procedures and process controls in place to mitigate the risk.

As at 30th June 2022, the gross NPA was INR 3.3 Crores on a gross portfolio of INR 605.15 Crores (including managed / securitized portfolio).

(b) ***The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans, and also due to factors beyond its control, such as over-extended member credit that it is unaware of. If the Issuer is unable to manage NPAs or adequately recover its loans, the results of its operations will be adversely affected.***

The current loan loss reserves of the Issuer may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of Client Loans. As a result, if the quality of its total loan portfolio deteriorates the Issuer may be required to increase its loan loss reserves, which will adversely affect its financial condition and results of operations.

The Issuer clients, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's clients live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that its monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer are unable to control or reduce the level of its NPAs or poor credit quality loans, its financial condition and results of its operations could be materially and adversely affected.

(c) ***The Issuer's business operates through a large number of rural and semi urban branches and is exposed to operational risks including fraud***

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

To mitigate the above risk, the Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

(d) ***The Issuer is exposed to certain political, regulatory and concentration of risks***

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the banking and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

(e) ***The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

(f) ***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***

There are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are uninsurable. A successful assertion of such large claims against the Issuer that exceeds it's available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations. Such risks are normally minimized through strong Risk Management practices of the Company.

(g) ***Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

NBFCs in India are subject to strict regulation and supervision by the RBI. Pursuant to guidelines issued by the RBI (including the NBFC Directions) the Issuer is required to maintain its status as a NBFC in order to be eligible for categorization as priority sector advance for bank loans. The Issuer requires certain approvals, licenses, registrations and

permissions for operating its business, including registration with the RBI as a NBFC. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled and it shall not be able to carry on such activities. If the Issuer fails to comply with the NBFC Directions and the NBFC Directions and fails to maintain the status of NBFC, it will not be eligible for priority sector loans from the Indian banking sector and may also attract penal provisions under the RBI Act, 1934 for non-compliance.

(h) ***The economic fallout from the spread of the COVID-19 virus may impact the Issuer's business prospects, financial condition, result of operations and credit risk***

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity and cashflows, and the Issuer has experienced and expect to continue to experience unpredictable reductions in demand for certain of our products and services. Further, since a good fraction of our borrowers are small transport road operators, the disruption due to COVID-19 virus will also have an impact on their business as well as repayment capacity of the loans taken from us.

However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

(i) ***Economic Risk in India:***

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

3.7 **ANY OTHER RISK FACTORS**

(a) Legality of Purchase

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the

jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended March 31, 2022, 31st March 2021, March 31, 2020 and the audited financial statements as on September 30, 2022 are set out in **Annexure V** hereto.

SECTION 5: REGULATORY DISCLOSURES

The Placement Memorandum is prepared in accordance with the provisions of SEBI NCS Regulations and in this section, the Issuer has set out the details required as per Schedule II of the SEBI NCS Regulations.

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted along with the listing application to the BSE and with the Debenture Trustee:

(a) This Placement Memorandum;

(b) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;

(c) Copy of the resolution passed by the shareholders of the Company at the Extra-ordinary General Meeting held on 24th November, 2022 authorizing the issue / offer of non-convertible debentures by the Company;

(d) Copies of the resolutions passed by the shareholders of the Company at the Extra-ordinary General Meeting held on 24th November, 2022 authorising the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of INR 1,500 Crores (Indian Rupees Fifteen Hundred Crores Only);

(e) Copy of the resolution passed by the Board of Directors of the Company dated 17th November, 2022 authorizing the issuance of the Debentures and the list of authorized signatories;

(f) Copy of last 3 (three) years audited Annual Reports;

(g) Reports about the business or transaction to which the proceeds of the securities are to be applied directly or indirectly;

(h) Statement containing particulars of, dates of, and parties to all material contracts and agreements;

(i) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where such debt securities are proposed to be listed.

(j) Where applicable, an undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, in favor of the trustees to the proposed issue has been obtained;

(k) Any other particulars or documents that the recognized stock exchange may call for as it deems fit; and

(l) Due diligence certificates from the Debenture Trustee as per the format specified in Annexure A of the SEBI Due Diligence Circular and Schedule IV of the SEBI NCS Regulations.

The following documents have been / shall be submitted to BSE at the time of filing the draft of this Placement Memorandum:

(a) Due diligence certificates from the Debenture Trustee as per the format specified in Annexure A of the SEBI Due Diligence Circular and Schedule IV of the SEBI NCS Regulations.

5.2 Details of Promoters of the Issuer:

S.No	Details of Promoter	Description
1.	Name of promoter	Morus Technologies Pte. Ltd

2.	Date of Birth/ Date of Incorporation	11/01/2017
3.	Age	N.A.
4.	Personal Addresses/ Registered Office	105 Cecil St, #13-01 The Octagon, Singapore 069534
5.	Education Qualifications	N.A.
6.	Experience in the business or employment	N.A.
7.	Positions/posts held in the past by the promoter	N.A.
8.	Directorships held by the promoter	N.A.
9.	Other ventures of the promoter	N.A.
10.	Special achievements	N.A.
11.	Business and financial activities of the promoter	Subject to the provisions of the Companies Act, 1967 of Singapore and any other written law and the Constitution, the Company has: (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and (b) for the purposes of paragraph (a), full rights, powers and privileges.
12.	Photograph/Logo	N.A.
13.	Permanent Accountant Number	AANCM1170B
14.	Other Details	N.A.

Declaration
The Issuer confirms that (to the extent applicable) the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing the draft offer document

5.3 Details of specific entities in relation to the Issue:

S.No	Particulars	Details
1.	Debenture Trustee to the Issue	Name: **MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED** 1st Floor, Kubera Chambers, Shivajinagar, Pune – 411 005 Logo: MITCON CREDENTIA Telephone Number: **022-22828200/40** Email address: contact@mitconcredentia.in Contact person: Mr. Navin Chouksey
2.	Credit Rating Agent for the Issue	Name: ICRA Analytics Limited Logo: ICRA Address: 17th Floor, Plot G-1, Infinity Benchmark, Block GP, Sector V, Salt Lake, Kolkata, West Bengal - 700091

S.No	Particulars	Details
		Website: www.icra.in Email address: ashwini.kumar@icraanalytics.com Telephone Number: +91-22-61796300 Contact Person: Mr.Ashwini Kumar
3.	Registrar to the Issue	Name: BIGSHARE SERVICES PRIVATE LIMITED Logo:  Address: 1st Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059 Website: https://www.bigshareonline.com Email address: mukesh@bigshareonline.com Telephone Number: 022 6263 8200 Contact Person: Mr. Mukesh
4.	Statutory Auditors	Name: SURI & SUDHIR Chartered Accountants Logo: N.A Address: L-4, Connaught Cir, Near Haldiram Sweets, Block L, Connaught Place, New Delhi, Delhi 110001 Website: www.suriandsudhir.com Email address: info@suriandsudhir.com Telephone Number: +911141827087 Contact Person: Mr. Sudhir Kumar Arora, Partner
5.	Legal Counsel (if any)	VERIST LAW Verist Law Address: The Empire Business Centre, 414 Senapati Bapat Marg, Lower Parel, Mumbai 400013 Website: www.veristlaw.com Telephone: +91 2266 907 368 Email: srishti.ojha@veristlaw.com
6.	Guarantor (if applicable)	stashfin Name: EQX Analytics Private Limited Address: 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi - 110003, India. Tel: 9643309883 Website: www.stashfin.com Email: accounts@stashfin.com Contact Person: Ms. Shruti Aggarwal, Director
7.	Arrangers, if any	NA

5.4 About the Issuer: A brief summary of business / activities of the Issuer and its subsidiaries with the details of branches or units if any and its line of business containing at least the following information:

(a) **Overview of the business of the Issuer**

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

Branch details:

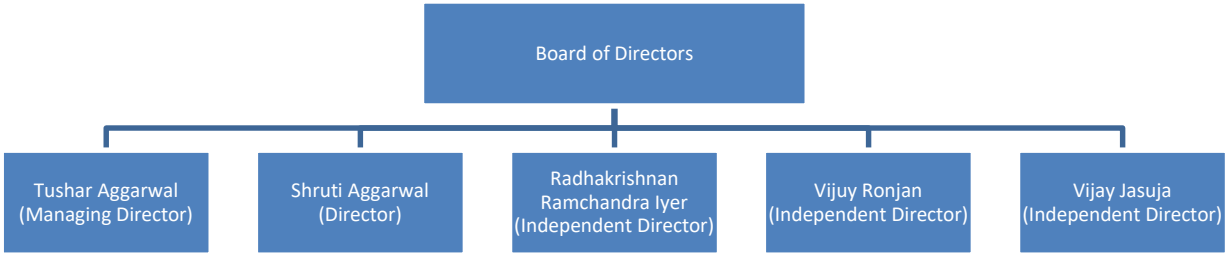
As of the date of this Placement Memorandum, the Company has One branch/Corporate Office across One state.

Subsidiary details:

As of the date of this Placement Memorandum, the Company does not have any subsidiaries.

(b) **Corporate Structure of the Issuer:**

The graphic description/organogram of the corporate structure of the issuer is as follows:



S. No.	Name	Designation	Profile
1.	Tushar Aggarwal	Managing Director	Over 15 years of work experience in Investment Banking and Private Equity in India and United States. Previous work experience at Goldman Sachs, Lehman Brothers and General Atlantic and Everstone. CFA Charter holder. Graduate of Wharton Business School and Stony Brook University.
2.	Shruti Aggarwal	Director	Over 15 years of experience in financial services and entrepreneurship. Previous work experience in Investment Banking with Merrill Lynch in New York and PWC in India. Graduate of Columbia University and SRCC.
3.	Radhakrishnan Ramchandra Iyer	Independent Director	Almost four decades of Banking Experience.

4.	Vijuy Ronjan	Independent Director	35 years of banking experience in the Indian banking industry.
5.	Vijay Jasuja	Independent Director	40 years of BFSI experience in leadership positions across Indian and overseas market.

(c) **Project cost and means of financing, in case of funding of new projects**

Not Applicable

Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis

Parameters	**FY2022-23(Q2)**	**FY2021-22**	**FY2020-21**	**FY2019-20**
	(Audited)	**(Audited)**	**(Audited)**	**(Audited)**
Balance Sheet				
Net Fixed assets	7,98,30,600	6,24,66,200	38,845,022	15,594,632
Current assets	6618494143	6,16,39,20,344	1,282,765,743	1,052,638,750
Non-current assets	1482278045	13,77,24,612	NIL	442,745
Total assets	8,18,06,02,788	6,36,41,11,157	1,321,610,765	1,068,676,127
Non-current liabilities (including maturities of long-term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net) Other non-current liabilities	2457659269	1,65,45,54,716	463,078,040	364,081,280
Current liabilities (including maturities of long-term borrowings and short-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Deferred tax liabilities (net) Other current liabilities	2441309359	1,92,17,38,802	91,467,896	303,912,158
Equity (equity and other equity)	3281634157	2,78,78,17,638	767,064,829	400,682,688
Total equity and liabilities	8,18,06,02,788	6,36,41,11,157	1,321,610,765	1,068,676,126
Profit and Loss				
Total Revenue From Operations Other Income	521322349 23542816	49,18,48,898 24,68,386	212,081,896 210,118,577 1,963,319	537,250,464 537,250,464 -
Total Expenses	417309244	43,93,21,776	184,630,627	525,452,583
Total comprehensive income Profit/loss Other Comprehensive income (including securitisation transactions)	127555921	5,49,95,503	27,451,269	11,797,881
Profit/Loss after tax	103087029	4,32,47,151	18,410,658	8,393,006
Earnings per equity share: (a) basic; and (b) diluted Continuing operations Discontinued operations Total Continuing and discontinued operations	0.43	0.40	0.43	0.28

Parameters	FY2022-23(Q2) (Audited)	FY2021-22 (Audited)	FY2020-21 (Audited)	FY2019-20 (Audited)
Cash Flow				
Net cash generated from operating activities	(2,33,86,83,676.32)	(3,52,24,30,213.00)	(245,406,867)	(156,440,978)
Net cash used in / generated from investing activities	(1,24,04,32,444.68)	(16,68,87,092)	(29,098,526)	(12,850,474)
Net cash used in financing activities	4,58,84,95,074.00	4,19,22,29,879.00	323,338,540	171,392,407
Cash and cash equivalents	-	-	-	-
Balance as per statement of cash flows	1,25,53,49,263.00	50,29,12,574.00	48,833,147	2,100,955
Additional Information				
Net Worth	3281634157	**2,78,78,17,639**	766,992,079	400,682,688
Cash and Cash Equivalents	1255349262	56,57,95,820	62,883,246	14,050,099
Current Investments	-	-	-	-
Assets Under Management	7,25,05,20,109	5,58,88,52,913	1,137,029,532	1,598,196,685
Off Balance Sheet Assets	1,34,80,89,793	45,30,96,468	255,224,013	617,727,401
Total Debts to Total assets	55.78%	53.14%	36.11%	34.03%
Debt Service Coverage Ratios	1.41	1.30	1.78	1.31
Interest Income	519440898	48,36,31,556.00	202,688,954	501,523,153
Interest Expense	229781433	**17,11,17,608**	42,974,512	44,212,312
Interest Service Coverage Ratio	1.56	1.25	1.63	1.27
Provisioning & Write-offs	5,30,74,844	1,28,39,391	2,000,870	103,989,827
Bad Debts to Account Receivable Ratio	NA	NA	NA	NA
Gross NPA (%)		-	-	-
Net NPA (%)		-	-	-
Tier I Capital Adequacy Ratio (%)	45.92%	43.29%	55.10%	37.50%
Tier II Capital Adequacy Ratio (%)		-	-	-

(INR in crores)

5.5 Debt: Equity Ratio of the Company:

Before the issue	1.43
After the issue	2.00

Calculations

As on Sep 30, 2022, debt-to-equity ratio is calculated as follows:

Debt	456.31
Equity	320.18
Debt/Equity	1.43

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

Debt	624.23
Equity	312.42
Debt/Equity	2.00

5.6 Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability:

NIL

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

(a) **Details of Share Capital as on last quarter end, i.e., September 30, 2022**:

Share Capital	Amount Crores
Authorised Share Capital	
40,00,00,000 Equity shares of Rs. 10/- each	400
Nil Preference Shares of Rs. NIL- each	Nil
TOTAL	400
Issued, Subscribed and Paid-up Share Capital	
23,78,35,413 Equity shares of Rs. 10 /- each	237.83
Nil Preference Shares of Rs. NIL/- each	Nil
TOTAL	237.83

(b) **Changes in its capital structure as on last quarter end i.e., September 30, 2022 for the last three years:**

Date of Change (AGM/EGM)	Particulars
EGM – 24th August, 2017	Authorised Share Capital Increased from INR 4 Crores to INR 10 Crores
EGM – 26th February, 2018	Authorised Share Capital Increased from INR 10 Crores to INR 20 Crores
EGM – 17th December, 2018	Authorised Share Capital Increased from INR 20 Crores to INR 40 Crores
EGM – 7th August, 2020	Authorised Share Capital Increased from INR 40 Crores to INR 100 Crores
AGM – 24th September, 2021	Authorised Share Capital Increased from INR 100 Crores to INR 200 Crores
EGM – 28th February, 2022	Authorised Share Capital Increased from INR 200 Crores to INR 400 Crores

(c) **Equity Share Capital History of the Company, for the last three years:**

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (Rs)	Equity Share Premium (Rs)	
08th September, 2020	1,55,67,323	10	13	202375216.96	Rights Issue	47874985	478749850	46701969.00	N.A.
03rd February, 2021	1,11,94,118	10	13	145523545.50	Rights Issue	59069103	590691030	33582354.00	N.A.
21st August, 2021	71,47,944	10	13	92923276.50	Rights Issue	66217047	662170470	21443832.00	N.A.
24th September, 2021	2,26,13,009	10	13	293969126	Rights Issue	88830056	888300560	67839027.00	N.A.
29th September, 2021	56,96,039	10	13	74048519.00	Rights Issue	94526095	945260950	17088117.00	N.A.

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (Rs)	Equity Share Premium (Rs)	
22nd October, 2021	1,16,19,883	10	13	151058489.40	Rights Issue	106145978	1061459780	34859649.00	N.A.
02nd November, 2021	1,72,56,962	10	13	224340513.10	Rights Issue	123402940	123402940	51770886.00	N.A.
25th November, 2021	1,14,37,463	10	13	148687026.20	Rights Issue	134840403	134840403	34312389.00	N.A.
07th December, 2021	4323923	10	13	56211001	Rights Issue	139164326	139164326	12971769.00	N.A.
23rd December, 2021	2908729	10	13	37813487.40	Rights Issue	142073055	142073055	8726187.00	N.A.
25th January,2022	14149931	10	13	183949112.60	Rights Issue	156222986	156222986	42449793	N.A.
11th February, 2022	20104270	10	13	261355518.60	Rights Issue	176327256	176327256	60312810	N.A.
24th February, 2022	17325922	10	13	225236993	Rights Issue	193653178	193653178	51977766	N.A.
22nd March, 2022	17537341	10	13	227985440.20	Rights Issue	210090519	211190519	52612023	N.A.
11th May, 2022	58,66,805	10	13	76268474.60	Rights Issue	217057324	217057324	17600415	N.A.
27th May, 2022	59,66,034	10	13	77558448.80	Rights Issue	223020358	223023358	17898102	N.A.
20th June, 2022	592	10	13	7696.75	Rights Issue	223023950	223023950	1776	N.A.
03rd August, 2022	1,48,11,463	10	16	236983420.10	Rights Issue	237835413	237835413	88868778	N.A.

5.8 Details of any Acquisition or Amalgamation with any entity in the last 1 (one) year:

Not Applicable

5.9 Details of any Reorganization or Reconstruction in the last 1 (one) year:

Type Of Event	Date Of Announcement	Date Of Completion	Details
N.A	N.A	N.A	N.A

5.10 Details of the shareholding of the Company as on the latest quarter end, i.e., September 30, 2022:

(a) **Shareholding pattern of the Company as on last quarter end, i.e. September 30, 2022 as per the format specified under the listing regulations:**

Sr No	Name of Equity Shareholder	Total No of Equity Shares	No. of shares in demat form	Total Shareholding as a % of total no of equity shares
1	M/s Morus Technologies PTE. LTD.	23,78,35,313	23,78,35,313	99.99%
2	Ms. Shruti Aggarwal	100	100	0.01%
	Total	**23,78,35,413**	**23,78,35,413**	100%

(b) **List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. September 30, 2022:**

Sr. No.	Name of the Shareholder / Particulars	Total Number of equity shares	Percentage of Total Shareholding (%)	Number of shares held in Demat Form
1.	M/s Morus Technologies PTE. LTD.	23,78,35,313	99.99%	23,78,35,313
2.	Ms. Shruti Aggarwal	100	0.01%	100

5.11 Following details regarding the directors of the Company:

(a) **Details of the current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors as on date of this Placement Memorandum:

Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether wilful defaulter Yes/No
Mr. Tushar Aggarwal	Managing Director	43 Years	6A/2, Raj Narain Road, Civil Lines North Delhi 110054	01587360	11/02/2016	• Titanium Fortune Financial Services Private Limited • EQX Analytics Private Limited • Santra Digital Services	NO

Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether wilful defaulter Yes/No
						Private Limited • Morus Technologies Pte. Ltd, Singapore	
Mrs. Shruti Aggarwal	Director	43 Years	6A/2, Raj Narain Road, Civil Lines North Delhi 110054	06867269	11/02/2016	• EQX Analytics Private Limited • Santra Digital Services Private Limited • Stash Payments Private Limited • Morus Technologies Pte. Ltd, Singapore • Vishuv Invest Private Limited	NO
Mr. Radhakrishnan Iyer	Non – Executive Independent Director	76 Years	4 B, Swami Vivekanand CHS, Azad Nagar Road 3, Andheri West, Mumbai - 400058	01309312	03/02/2021	• N R Agarwal Industries Limited • Integro Finserv Private Limited	NO
Mr. Vijuy Ronjan	Non – Executive Independent Director	60 Years	R-145, Ground Floor Greater Kailash, Part 1 Delhi-110048	09345384	24/02/2022	• Paisalo Digital Limited • Integro Finserv Private Limited	NO

Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether wilful defaulter Yes/No
Mr. Vijay Jasuja	Non – Executive Independent Director	60 Years	A-204, Paras Emperor, Bawadia Kalan, Bhopal University, Bhopal, M.P.-462026	07924822	17/08/2022	• PNB Cards & Services Limited	NO

(b) **Details of change in directors since last three years:**

Name	Designation	DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. Vijay Jasuja	Non – Executive Independent Director	07924822	17/08/2022	-	-	-
Mr. S C Sinha	Director	035598173	-	17/08/2022	17/08/2022	-

5.12 Following details regarding the auditors of the Company:

(a) **Details of the auditor of the Company:**

Name of the Auditor	Address	Auditor since
SURI & SUDHIR Chartered Accountants	L-4, Connaught Cir, Near Haldiram Sweets, Block L, Connaught Place, New Delhi, Delhi 110001	2016

(b) **Details of change in auditors since last three years:**

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
N.A	N.A	N.A	N.A	N.A

5.13 Details of the following liabilities of the issuer, as at the end of the last quarter, i.e September 30, 2022, or if available, a later date:

(a) **Details of Outstanding Secured Loan Facilities (as on September 30, 2022)**

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule	Security	Security Type
Ambit Finvest Pvt Ltd	Term Loan	11.00	7.54	Monthly	Average Security Cover is 110-120%.	Receivable-exclusive

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule	Security	Security Type
ASHV Financial Ltd	Term Loan	7.00	4.37	Monthly	Average Security Cover is 110-120%.	
Grow Money Capital Pvt Ltd	Term Loan	35.00	20.39	Monthly	Average Security Cover is 110-120%.	
Hinduja Layend Finance Ltd	Term Loan	10.00	7.72	Monthly	Average Security Cover is 110-120%.	
MAS Financial Services Ltd	Term Loan	43.00	29.28	Monthly	Average Security Cover is 110-120%.	
Moneywise Financial Services Pvt Ltd	Term Loan	10.00	3.45	Monthly	Average Security Cover is 110-120%.	
Morus Technologies Pte Ltd	ECB	159.24	159.24	Bullet	Average Security Cover is 110-120%.	
Northern Arc Capital Limited	Term Loan	80.00	46.89	Monthly	Average Security Cover is 110-120%.	
Oxyzo Financial Services Pvt Ltd	Term Loan	12.00	12.00	Monthly	Average Security Cover is 110-120%.	
Pace Fincap Pvt Ltd	Term Loan	15.00	6.43	Monthly	Average Security Cover is 110-120%.	
Profectus Capital Pvt Ltd	Term Loan	12.00	2.97	Monthly	Average Security Cover is 110-120%.	
Shine Star Build Cap Pvt Ltd	Term Loan	110.00	56.54	Monthly	Average Security Cover is 110-120%.	

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule	Security	Security Type
Tata Capital Financial Services Ltd	Term Loan	5.00	5.00	Monthly	Average Security Cover is 110-120%.	
UC Inclusive Credit Pvt Ltd	Term Loan	8.50	6.21	Monthly	Average Security Cover is 110-120%.	
Vivriti Capital Pvt Ltd	Term Loan	50.25	28.83	Monthly	Average Security Cover is 110-120%.	
Western Capital Advisors Pvt Ltd	Term Loan	15.00	7.08	Monthly	Average Security Cover is 110-120%.	
		582.99	**403.96**			

(b) **Details of Outstanding Unsecured Loan Facilities (as on September 30, 2022)**:

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule
Fusion Corporate Solutions Pvt Ltd	ICD	7.00	2.36	Monthly
Positive Moves India Consulting Pvt.Ltd	ICD	19.00	5.99	Monthly
Total		**26.00**	**8.35**	

(c) **Details of Outstanding Non-Convertible Securities (as on September 30, 2022)**:

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule	Date of Allotment	Date of Maturity/ Final Redemption	Coupon Rate	Instrument Name
Northern Arc India Impact Trust	NCD	20.00	20.00	Half Yrly	16/03/2022	16/03/2024	14.55%	Secured Rated Unlisted Non-Convertible

								Debenture
Northern Arc Capital Limited	NCD	40.00	24.00	Monthly	31/03/2022	03/07/2023	13.17%	Secured Rated Unlisted Non Convertible Debenture
		60.00	44.00					

5.14 List of top 10 holders of non-convertible securities in terms of value as on 30.09.2022 (in cumulative basis)

Sr. No.	Name of holders of Non-convertible Securities	Amount (INR)	% of total NCS outstanding
1	Axis Trustee Services Limited acting in its capacity as the trustee of the Northern Arc India Impact Trust VIII with Northern Arc India Impact Fund as its scheme	20 Crores	-
2	Northern Arc Capital Limited	40 Crores	-

5.15 Details of outstanding Commercial Paper as at the end of the last quarter (as on September 30, 2022) in the following format:

Sr. No.	ISIN of Commercial Paper	Maturity Date	Amount outstanding
1.	**N.A**	**N.A**	**N.A**

5.16 Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares):

Name of Party (in case of facility) / Name of Instrument	Type of facility / Instrument	Amount sanctioned / issued	Principal Amount outstanding	Date of Repayment / Schedule	Credit Rating	Secured / Unsecured	Security
N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

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

Not Applicable

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

A. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC including details regarding the following

(a) **Lending Policy: Should contain overview of origination, risk management, monitoring and collections:**

Please refer to the lending policy set out in Annexure X.

(b) **Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc.:**

Not applicable

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

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

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

As on Sep, 30, 2022– Rs. ___ Lacs

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

Please refer to paragraph (K) of this table below

B. Details of borrowings made by NBFC

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

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

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

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

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

Type of Borrowings	**Outstanding as at Sep 30, 2022 (INR) (in Crore)**	**%**
Secured Borrowings	447.96	98.17%
Unsecured Borrowings	8.35	1.83%
Total	456.31	100%

C. **Details of change in shareholding**

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

Nil

D. Disclosure of Assets Under Management

(a) Segment wise breakup:

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

(b) Type of Loans

Please refer to sub-paragraph (a) of paragraph (J) in this table below.

E. Details of borrowers

(a) Geographical location wise

Please refer to sub-paragraph (e) of paragraph (J) in this table below.

F. Details of Gross NPA

(a) Segment wise:

Please refer to sub-paragraph (c) of paragraph (K) in this table below.

G. Details of Assets and Liabilities

(a) Residual maturity profile wise into several bucket:

Please refer to paragraph (L) in this table below.

H. Additional details of loans made by housing finance company

Given that the Issuer is not a housing finance company, this is not applicable.

I. Disclosure of latest ALM statements to stock exchange

Please refer to the ALM statements set out in Annexure XI.

J. Classification of loans according to

(a) Type of Loans:

Details of types of loans

Sl. No.	Types of loans	Rs. crore
1	Secured	447.96
2	Unsecured	8.35
	Total assets under management (AUM)^^	456.31

**Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^^Issuer is also required to disclose off balance sheet items.*

(b) Denomination of loans outstanding by loan-to-value:

Details of LTV

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 40%	N.A
2	40-50%	N.A
3	50-60%	N.A
4	60-70%	N.A

	5	70-80%	N.A
	6	80-90%	N.A
	7	>90%	N.A
		Total	N.A

(c) Sector Exposure

Details of sectoral exposure

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
1	**Retail**	
A	Mortgages (home loans and loans against property)	-
B	Gold loans	-
C	Vehicle finance	-
D	MFI	-
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	100%
2	**Wholesale**	
A	Infrastructure	-
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector (as applicable)	-
E	Others	-
	Total	100%

(d) Denomination of loans outstanding by ticket size*:

Details of outstanding loans category wise

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs. 3 lakh	**98.93%**
2	Rs. 3-5 lakh	**1.07%**
3	Rs. 5 - 10 lakh	-
4	Rs. 10 - 25 lakh	-
5	Rs. 25 - 50 lakh	-
6	Rs. 50 lakh - 1 crore	-
7	Rs. 1 - 5 crore	-
8	Rs. 5 - 25 crore	-
9	Rs. 25 - 100 crore	-
10	>Rs. 100 crore	-
	Total	100%

** Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);*

(e) Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM
1	**Maharashtra**	9.40%
2	**Uttar Pradesh**	10.54%
3	**Delhi NCR**	9.03%
4	**Karnataka**	7.66%
5	**Gujarat**	5.60%
	Total	**42.23%**

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

(a) Movement of Gross NPA

Movement of gross NPA*	Rs. crore
Opening gross NPA	N.A
- Additions during the year	N.A

- Reductions during the year	N.A
Closing balance of gross NPA	N.A

**Please indicate the gross NPA recognition policy (Day's Past Due):* 180 days

(b) Movement of provisions for NPA

Movement of provisions for NPA	**Rs. crore**
Opening balance	1.28
- Provisions made during the year	4.02
- Write-off/ write-back of excess provisions	-
Closing balance	5.30

(c) Segment wise gross NPA

Sl. No.	**Segment-wise gross NPA**	**Gross NPA (%)**
1	**Retail**	
A	Mortgages (home loans and loans against property)	N.A
B	Gold loans	N.A
C	Vehicle finance	N.A
D	MFI	N.A
E	MSME	N.A
F	Capital market funding (loans against shares, margin funding)	N.A
G	Others	N.A
2	**Wholesale**	
A	Infrastructure	N.A
B	Real estate (including builder loans)	N.A
C	Promoter funding	N.A
D	Any other sector (as applicable)	N.A
E	Others	N.A
	Total	N.A

L. Residual maturity profile of assets and liabilities (in line with the RBI format):

Residual maturity profile of assets and liabilities

(as per Audited Financial as on Sep 30, 2022) INR (in Crore)

Category	**Up to 30 / 31 days**	**>1 months – 2 months**	**>2 months – 3 months**	**>3 months – 6 months**	**>6 months – 1 year**	**>1 years – 3 years**	**>3 years – 5 years**	**> 5 years**	**Total**
Deposit	-	-	-	-	-	-	-	-	-
Advances	100.15	53.59	44.54	95.91	135.33	160.73	0.01	-	590.26
Investments	-	-	-	-	-	-	-	-	-
Borrowings	39.43	32.43	31.87	73.20	86.56	41.54	159.24	-	
FCA*	-	-	-	-	-	-	-	-	-
FCL*	-	-	-	-	-	-	-	-	-

**FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;*

5.19 Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 3 years including the current financial year:

N.A

5.21 Financial Information

(a) **A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the draft offer document or offer document or issue opening date, as applicable**
The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

Particulars	As at 30th September 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
EQUITY AND LIABILITIES				
Shareholder's funds				
Share capital	2,37,83,54,130.00	2,11,19,05,190.00	59,06,91,030.00	32,30,76,620.00
Reserves and surplus	90,32,80,027.32	67,59,12,449.00	17,63,01,049.00	7,76,06,068.00
Money received against share warrants		-	-	-
	3,28,16,34,157.32	**2,78,78,17,639.00**	**76,69,92,079.00**	**40,06,82,688.00**
Share application money pending allotment		**-**	**72,750.00**	**-**
Non-current liabilities				
Long-term borrowings	2,45,54,39,147.00	1,65,29,41,813.00	20,87,12,782.00	36,37,21,719.00
Deferred tax liabilities (Net)		-	14,13,347.00	-
Other long term liabilities		-	-	-
Long-term provisions	22,20,123.00	16,12,903.00	18,91,851.00	3,59,561.00
	2,45,76,59,270.00	**1,65,45,54,716.00**	**21,20,17,980.00**	**36,40,81,280.00**
Current liabilities				
Short-term borrowings	2,18,79,45,740.00	1,72,92,24,852.00	26,85,47,483.00	-
Trade payables				
(A) Micro enterprises and small enterprises	25,35,048.00	71,50,059.00	63,76,135.00	-
(B) Others	2,03,53,875.00	1,72,19,140.00	71,72,251.00	25,45,63,049.00
Other current liabilities	8,73,60,653.00	12,72,57,970.00	2,92,25,507.00	3,64,48,819.00
Short-term provisions	14,31,14,045.00	4,08,86,781.00	1,73,06,778.00	1,29,00,290.00
	2,44,13,09,361.00	**1,92,17,38,802.00**	**32,86,28,154.00**	**30,39,12,158.00**
TOTAL	**8,18,06,02,788.32**	**6,36,41,11,157.00**	**1,30,77,10,963.00**	**1,06,86,76,126.00**
ASSETS				
Non-current assets				
Property,Plant and Equipment and Intangible assets				
Property,Plant and Equipment	12,631.00	12,631.00	19,999.00	86,826.00

Particulars	As at 30th September 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Intangible assets	7,60,83,135.00	5,89,54,693.00	3,88,25,023.00	1,29,37,710.00
Capital work-in-Progress		34,98,876.00	-	25,70,095.00
Intangible assets under development	37,34,834.00	-	-	-
Non-current investments		-	-	-
Deferred tax assets (net)	2,08,22,872.00	41,51,552.00	-	4,42,745.00
Long-term loans and advances	1,43,81,96,155.00	10,63,30,972.00	-	-
Other non-current assets	2,32,59,018.00	2,72,42,088.00	-	-
	1,56,21,08,645.00	**20,01,90,812.00**	**3,88,45,022.00**	**1,60,37,376.00**
Current assets				
Current investments		-	-	-
Inventories		-	-	-
Trade receivables	54,61,97,650.32	23,13,99,178.00	21,12,67,229.00	9,50,715.00
Cash and cash equivalents	1,25,53,49,263.00	56,57,95,820.00	6,28,83,246.00	1,40,50,099.00
Short-term loans and advances	4,56,91,24,774.00	5,13,57,56,445.00	91,84,31,442.00	98,04,69,285.00
Other current assets	24,78,22,456.00	23,09,68,902.00	7,62,84,024.00	5,71,68,651.00
	6,61,84,94,143.32	**6,16,39,20,345.00**	**1,26,88,65,941.00**	**1,05,26,38,750.00**
TOTAL	**8,18,06,02,788.32**	**6,36,41,11,157.00**	**1,30,77,10,963.00**	**1,06,86,76,126.00**

Particulars	30th September 2022	31st March 2022	31st March 2021	31st March 2020
Revenue				
Revenue from operations	52,13,22,349.00	49,18,48,893.00	21,01,18,577.00	53,72,50,464.00
Less: Excise duty		-	-	-
Net Sales	**52,13,22,349.00**	**49,18,48,893.00**	**21,01,18,577.00**	**53,72,50,464.00**
Other income	2,35,42,816.00	24,68,387.00	19,63,319.00	-
Total Income	**54,48,65,165.00**	**49,43,17,280.00**	**21,20,81,896.00**	**53,72,50,464.00**
Expenses				
Cost of material Consumed		-	-	-
Purchase of stock-in-trade		-	-	-
Changes in inventories		-	-	-
Employee benefit expenses	3,39,20,059.00	2,76,14,872.00	4,29,94,507.00	3,26,49,522.00
Finance costs	26,24,80,102.00	23,38,17,931.00	4,36,23,291.00	4,42,12,312.00
Depreciation and amortization expenses	81,94,667.00	1,13,67,578.00	62,66,931.00	20,26,480.69
Other expenses	11,27,14,416.00	16,33,72,751.00	9,17,45,898.00	44,65,64,268.00
Total expenses	**41,73,09,244.00**	**43,61,73,132.00**	**18,46,30,627.00**	**52,54,52,582.69**

Particulars	30th September 2022	31st March 2022	31st March 2021	31st March 2020
Profit before exceptional, extraordinary and prior period items and tax	**12,75,55,921.00**	**5,81,44,148.00**	**2,74,51,269.00**	**1,17,97,881.31**
Exceptional items		-	-	-
Profit before extraordinary and prior period items and tax	**12,75,55,921.00**	**5,81,44,148.00**	**2,74,51,269.00**	**1,17,97,881.31**
Extraordinary items		-1,78,645.00	-	-
Prior period item		-29,69,999.00	-	-
Profit before tax	**12,75,55,921.00**	**5,49,95,504.00**	**2,74,51,269.00**	**1,17,97,881.31**
Tax expenses				
Current tax	4,11,40,212.00	1,73,13,251.00	71,84,520.00	34,07,423.00
Deferred tax	-1,66,71,320.00	-55,64,899.00	18,56,091.00	-2,548.00
Excess/short provision relating earlier year tax		-	-	-
Profit(Loss) for the period	**10,30,87,029.00**	**4,32,47,152.00**	**1,84,10,658.00**	**83,93,006.31**
Earning per share				
Basic				
Before extraordinary Items	0.46	0.66	0.43	0.28
After extraordinary Adjustment	0.46	0.65	0.43	0.28
Diluted				
Before extraordinary Items		0.4	0.22	-
After extraordinary Adjustment		0.4	0.22	-

PARTICULARS	30th September 2022	31st March 2022	31st March 2021	31st March 2020
Cash Flow from Operating Activities				
Net Profit before tax and extraordinary items (as per Statement of Profit and Loss)	**49,59,16,112**	**5,51,74,149**	**2,74,51,269**	**1,17,97,881**
Adjustments for non-Cash/ Non trade items:				
Depreciation & Amortization Expenses	81,94,667	1,13,67,578	62,66,931	20,26,481
Finance Cost	26,24,80,102	23,38,17,931	4,33,56,301	4,42,12,312
Adjustments for unrealised foreign exchange Losses / (Gains)		29	(29)	-
Interest received		(16,74,724)	(4,18,796)	-
Other Inflows / (Outflows) of cash	51,85,61,637	45,60,85,300	8,73,06,867	6,93,47,475
Operating profits before Working Capital Changes	**1,28,51,52,518**	**75,47,70,263**	**16,39,62,543**	**12,73,84,149**
Adjusted For:				
(Increase) / Decrease in trade receivables	(52,97,51,506)	(62,32,147)	(22,42,16,316)	-
Increase / (Decrease) in trade payables	(6,06,84,638)	(30,78,989)	(22,71,14,861)	16,19,48,066
Increase / (Decrease) in other current liabilities	10,62,84,274	11,14,83,735	24,46,691	(1,36,14,870)
(Increase) / Decrease in Short Term Loans & Advances	(3,02,20,78,114)	(4,21,73,25,003)	6,20,37,843	(38,64,24,592)
(Increase) / Decrease in other current assets	(11,76,06,210)	(15,46,84,907)	(1,91,15,344)	(4,41,91,341)
Cash generated from Operations	**(2,33,86,83,676)**	**(3,51,50,67,048)**	**(24,19,99,444)**	**(15,48,98,588)**
Income Tax (Paid) / Refund		(71,84,520)	(34,07,423)	(15,42,390)
Net cash flow from operating activities before extraordinary items	**(2,33,86,83,676)**	**(3,52,22,51,568)**	**(24,54,06,867)**	**(15,64,40,978)**
Payment for extraordinary items		(1,78,645)		
Net Cash flow from Operating Activities(A)	**(2,33,86,83,676)**	**(3,52,24,30,213)**	**(24,54,06,867)**	**(15,64,40,978)**
Cash Flow From Investing Activities				
Purchase of tangible assets		**0**	-	(25,70,095)
Proceeds from sales of tangible assets	3,684		25,70,095	19,91,198
Interest Received	17,50,765	16,74,724	4,18,796	-
Proceeds from sales of intangible assets				
Purchase of intangible assets	(3,63,42,827)	(3,49,88,756)	(3,20,87,417)	(1,22,71,577)
Cash advances and loans made to other parties	(1,22,16,08,191)	(10,63,30,972)		
Other Inflow / (Outflows) of cash	1,57,64,124	(2,72,42,088)		
Net Cash used in Investing Activities(B)	**(1,24,04,32,445)**	**(16,68,87,092)**	**(2,90,98,526)**	**(1,28,50,474)**
Cash Flow From Financing Activities				
Finance Cost	(26,24,80,102)	(23,38,17,931)	(4,33,56,301)	(4,42,12,312)
Increase in / (Repayment) of short-term Borrowings	2,18,79,45,640	1,38,06,77,369	1,74,87,423	-
Increase in / (Repayment) of long-term borrowings	1,25,54,45,553	1,52,42,29,031	9,60,51,123	16,75,80,093
Increase / (Decrease) in share capital	1,43,30,93,180	1,52,12,14,160	26,76,14,410	6,53,84,500
Increase / (Decrease) in share application money pending allotment	0	(72,750)	72,750	(1,50,00,000)
Other Inflows / (Outflows) of cash	(2,55,09,197)		(1,45,30,865)	(23,59,874)
Net Cash used in Financing Activities(C)	**4,58,84,95,074**	**4,19,22,29,879**	**32,33,38,540**	**17,13,92,407**

Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	**1,00,93,78,953**	**50,29,12,574**	**4,88,33,147**	**21,00,955**
Cash & Cash Equivalents at Beginning of period	24,59,70,310	6,28,83,246	1,40,50,099	1,19,49,144
Cash & Cash Equivalents at End of period	1,25,53,49,263	56,57,95,820	6,28,83,246	1,40,50,099
Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	**1,00,93,78,953**	**50,29,12,574**	**4,88,33,147**	**21,00,955**

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

N. A

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

Please refer to Annexure V for the financial statements for the financial year ending March 31, 2022, March 31, 2021 and March 31, 2020 and the audited financial statements as on September 30, 2022.

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

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

Not Applicable as the Issuer has been in existence for a period of more that 3 (three) years prior to the date of this Placement Memorandum.

5.22 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.

The Issuer hereby declares that there has been no material event, development or change on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue, which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities of the Issuer.

5.23 Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company;

Nil

5.24 **Details of default and non-payment of statutory dues**

Nil

5.25 **The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.**

The Debenture Trustee of the proposed Debentures is **MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED** has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Information Memorandum and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure III** of this Information Memorandum.

5.26 Details of credit rating along with reference to the rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies in relation to the issue shall be disclosed. The detailed press release of the Credit Rating Agencies along with rating rationale(s) adopted (not older than one year on the date of opening of the issue) shall also be disclosed.

The Rating Agent has assigned a rating of "BBB" (pronounced as "triple B") to the Debentures. The rating letter from the Rating Agent, the rating rationale from the Rating Agent and the detailed press release is provided in **Annexure II** of this Information Memorandum.

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

The Debentures are secured by Guarantee provided by EQX Analytics Private Limited.

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

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

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (*Day count convention, disclosure of cash flows and other disclosures in the offer document*) of the SEBI circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as may be amended and modified from time to time;

(b) ***Procedure and time schedule for allotment and issue of securities:***

Please refer to the column on "*Issue Timing*" under Section 5.35 (*Issue Details*) of this Placement Memorandum; and

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

The cashflows emanating from the Debentures, by way of an illustration, are set out under **Annexure VI** (*Illustration of Bond Cashflows*) of this Placement Memorandum.

5.29 Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock

exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board:

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

The Issuer has obtained the in-principle approval for the listing of the Debentures from BSE and the same is annexed in **Annexure IX** hereto. The Issuer shall also be creating the recovery expense fund as per the applicable SEBI regulations with BSE.

The Debentures are not proposed to be listed on more than one stock exchange.

5.30 Other details:

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

(i) The Company hereby agrees and undertakes that, if required under Applicable Law, it will create a debenture redemption reserve ("**DRR**") in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.

(ii) If any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR prior to the Final Settlement Date, then the Company shall comply with such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee in respect of the creation and maintenance of the DRR.

(iii) Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year.

(iv) In addition to the above, to the extent required by Applicable Law, the Company shall, in any Financial Year, in respect of any amounts of the Debentures maturing in such Financial Year, invest or deposit amounts up to such thresholds as may be prescribed by Applicable Law and in such form and manner as prescribed therein and within the time periods prescribed therein.

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

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI NCS Regulations, the LODR Regulations the NBFC Directions, the NCD Issuance Directions and the applicable guidelines and directions issued by the RBI and SEBI.

(c) **Default in payment**:

The Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the applicable Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of a Payment Default or any other Event of Default until such Payment Default or Event of Default is cured, on each Interest Payment Date occurring during the aforementioned period.

(d) **Delay in listing**:

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private

placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/P/CIR/ 2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer confirms that in the event there is any delay in listing of the Debentures beyond the Listing Period, the Company will (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the closure of the issue of the Debentures until the listing of the Debentures is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

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

(i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

(ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Monies ("**Allotment Period**"), it shall repay the Application Monies to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

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

(f) **Issue details**:

Please refer to Section 5.35 (*Issue Details*) of this Placement Memorandum

(g) **Application process:**

The application process for the Issue is as provided in Section 8 of this Placement Memorandum.

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

All disclosures under Form No. PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 have been set out in Section 10.

(i) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project**:

Not applicable

5.31 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than 2 (Two) years before the date of this Placement Memorandum, which are or may be deemed material, have been entered into by the Company.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

S. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Board Resolution dated 17th November, 2022 authorizing the issue of Debentures offered under the terms of this Disclosure Document.
3	Shareholders Resolution dated 24th November, 2022 authorizing the issue of non-convertible debentures by the Company.
4	Shareholder Resolution dated 24th November, 2022 authorizing the borrowing by the Company and the creation of security.
5	Copies of Annual Reports of the Company for the last three financial years.
6	Credit rating letter from the Rating Agent dated 16th December, 2022, rating rationale from the Rating Agent dated 20th October, 2022 along with detailed press release.
7	Letter from **MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED** dated 23rd December 2022, 2022 giving its consent to act as Debenture Trustee.
8	Letter for Register and Transfer Agent.
9	Certified true copy of the certificate of incorporation of the Company.
10	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL.
11	Copy of application made to BSE for grant of in-principle approval for listing of Debentures.
12	Debenture Trustee Agreement to be executed by the Issuer and the Debenture Trustee.
13	Debenture Trust Deed to be executed by the Issuer and the Debenture Trustee.
14	Deed of Hypothecation(s) to be executed by the Issuer and the Debenture Trustee.

5.32 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of INR 30,00,00,000 (Indian Rupees Thirty Crores) by issue of Rated, Senior, Secured, Listed, Non-convertible debentures, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Section 5.35 (*Issue Details*) of this Placement Memorandum.

5.33 Issue Size

The aggregate issue size for the Debentures is of INR 30,00,00,000 (Indian Rupees Thirty Crores Only).

5.34 Utilization of the Issue Proceeds

(d) The funds raised by the Issue shall be utilized by the Issuer by way on- lending by the Issuer for origination of personal loans ("**Purpose**").

(e) The funds raised by the Issue shall be utilised by the Company solely for the Purpose and the Company shall not use the proceeds of the Issue towards:

(i) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly);

(ii) any speculative purposes;

(iii) investment in the real estate sector/real estate business (including the acquisition/purchase of land);

(iv) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.77/21.04.172/2021-22 dated January 5, 2022 on "*Bank Finance to Non-Banking Financial Companies (NBFCs)*"); and

(v) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).

5.35 Issue Details

Security Name (*Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year*)	11.75 % AKARA CAPITAL ADVISORS PRIVATE LIMITED MARCH 2024
Issuer	Akara Capital Advisors Private Limited
Type of Instrument	Rated, senior, secured, listed, redeemable non-convertible debentures
Nature of Instrument (Secured or Unsecured)	Rated, senior, secured, listed, redeemable non-convertible debentures
Seniority (Senior or subordinated)	Senior
Eligible Investors	Please refer Section 8.14 (*Eligible Investors*).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure permission for listing of the Debentures from the Stock Exchange within 4 (four) working days of the issue closing date ("**Listing Period**"). (b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE. (c) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will: (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the closure of the issue of the Debentures until the listing of the Debentures is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).
Rating of Instrument	"BBB" by ICRA
Issue Size	INR 30,00,00,000/- (Indian Rupees Thirty Crores Only)

Minimum subscription	As the current issue of Debentures is being made on a private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.
Option to retain oversubscription (Amount)	Not Applicable
Objects of the Issue / Purpose for which there is requirement of funds	To raise secured debt to the extent up to INR 30,00,00,000 (Indian Rupees Thirty Crores Only) and 100% (One Hundred Percent) of the issue proceeds will be utilized to originate loans which satisfy the Portfolio Originating Criteria.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose (Defined in Section 1)
Details of the utilization of the Proceeds	100% (One Hundred Percent) of the issue proceeds will be utilized only to originate personal loans.
Coupon Rate	11.75% (Eleven decimal Seven Five per cent) per annum payable monthly..
Step Up Coupon Rate	Not Applicable
Coupon Payment Frequency	Monthly, one the 1st of every month. In case the Coupon Payment Date is not a Business Day, then the Coupon shall be payable on the immediately preceding Business Day.
Coupon Payment Dates	Monthly, on the dates set out in Annexure VI (*Illustration of Bond Cash Flows*)
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	N.A.
Day Count Basis (Actual / Actual)	Actual / Actual
Interest on Application Monies	11.75% or (b) the rate as per applicable Law, whichever is higher. Interest on Application Money shall be to the Applicants (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961) from the date of realization of the cheques / drafts or credit through RTGS / NEFT / direct credit upto one day prior to the Deemed Date of Allotment. This is applicable for all valid applications within 5 (five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount

	has been refunded, the interest on Application Money will be paid along with the refund orders or through RTGS / NEFT / direct credit to the bank account of the Applicant as described in the Application Form.
Default Interest Rate	(a) The Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the applicable Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of a Payment Default or any other Event of Default until such Payment Default or Event of Default is cured, on each Interest Payment Date occurring during the aforementioned period. (b) Debenture Trustee reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount outstanding under the Debentures on the Company in the event of breach of any of the Financial Covenants ("Penalty for Breach"). In such an event, the Company shall pay the Penalty for Breach to the Debenture Trustee within 30 calendar days from the date of such breach (c) If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed. (d) Issuer shall pay a penal interest of 2.0% (Two Percent) p.a. in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets; (e) Issuer shall be required to pay a penalty of INR 6,000/- for each day of delay in the event of non-adherence to the above reporting undertaking on a timely basis. (f) Breach of Covenants: The Issue shall pay default interest at 2% (Two percent) per annum over the Interest Rate in the event of breach of other covenants. The aforesaid Default Interest for breach of covenants will be accrued from the date of such breach of covenants but be payable only if after the following process is completed: (g) Issuer has sought waiver within 7 (seven) business days of breach of covenants and the Debenture Holder(s) is evaluating the same and has not yet rejected such request for waiver. Upon rejection of waiver by the Debenture Holder, the Default interest will be payable from the date of such default, till such default is rectified by the Issuer.
Tenor	18 (Eighteen) months from the Deemed Date of Allotment
Redemption Date / Maturity Date	28th June, 2024 i.e. the day falling at the end of 18 (eighteen) months from the Deemed Date of Allotment. The Outstanding Principal Amounts shall be repaid by the Issuer in Quarterly instalments at the end of 3 (three) months, 6 (six) months, 9 (nine) months, 12 (twelve) months, 15 (fifteen) months and 18 (eighteen) months from the Deemed Date of Allotment. The details of repayment of the Outstanding Principal Amount is more particularly provided in Annexure VI (*Illustration of Bond Cash Flows*)

Redemption Amount	INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture on the Principal Payment Date(s) plus accrued Coupon in the manner set out in **Annexure VI** (*Illustration of Bond Cash Flows*) hereto.
Redemption Premium/ Discount	Not Applicable
Issue Price	INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Date	N.A.
Put Price	N.A.
Call Date	N.A.
Call Price	N.A.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	N.A.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	N.A.
Face Value	INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture
Minimum Application and in multiples of thereafter	The minimum application size for the Issue shall be 5 (five) Debentures and in multiples of 1 Debenture(s) thereafter.
Issue Timing	Issue Opening Date: 28th December, 2022 Issue Closing Date: 28th December, 2022 Date of earliest closing of the Issue, if any: 28th December, 2022 Pay-in Date: 28th December, 2022 Deemed Date of Allotment: 28th December, 2022
Settlement mode of the Instrument	RTGS
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	On the dates set out in **Annexure VI** (*Illustration of Bond Cash Flows*) (subject to adjustments for Business Day Convention).
Record Date	The date being 15 (fifteen) days prior to each Due Date or any other payment date by acceleration. In case of dissolution/bankruptcy/insolvency/winding up of Debenture Holders, the debenture certificates shall be transmittable to the legal representative(s)/successor(s) or the liquidator as the case may be in accordance with Applicable Law and on such terms as may be deemed appropriate by the Issuer.
All covenants of the issue	**Representations and Warranties** Please refer Section 7.2 of this Placement Memorandum.

(including side letters, accelerated payment clause, etc.)	**Affirmative Covenants** Please refer Section 7.3.(i) of this Placement Memorandum. **Negative Covenants** Please refer Section 7.3.(ii) of this Placement Memorandum. **Reporting Covenants** Please refer Section 7.3.(iii) of this Placement Memorandum. **Financial Covenants** Please refer Section 7.3.(iv) of this Placement Memorandum.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the placement memorandum.	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on receivables **("Hypothecated Receivables"**) created pursuant to the agreement of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Receivables shall consist of loans originated from the proceeds of the issue within the Portfolio Origination Period, and at all times shall be equal to the value of the outstanding principal amount of the Debentures. Receivables from related parties shall not be included in Hypothecated Receivables. The Issuer undertakes: • to maintain the value of security at all times equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables ("Security Cover"); • to pay a penal interest of 2.0% (Two Percent) p.a. in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Receivables; • to provide on a monthly basis, book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Hypothecated Receivables Report") • Company to provide Overall Asset Cover Certificate which specifies that all the Hypothecated Receivables are sufficient to meet all the liabilities secured by way of a first ranking and exclusive charge over the Hypothecated Receivables. • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Receivables is equal to 1.10 (One decimal point one zero) time or 110.0% (one hundred and ten percent) the aggregate amount of principal outstanding and interest outstanding of the NCDs where at least 1.10 (One decimal point one zero) time or 110.0% (one hundred and ten percent) of the security cover is from principal receivables. • to replace/top up any Hypothecated Receivables that become overdue for more than 30 days with current receivables in terms of the hypothecation agreement. Overdue Loans offered as security shall not constitute more than 10% of the Portfolio. Eligibility Criteria for the Hypothecated Receivables: • the receivables are current at the time of selection and have not been terminated or pre-paid. • the receivables have not been restructured or rescheduled. • all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India. • Every loan originated from the issue proceeds should be originated by the Issuer and not loans purchased from a third party. • Loans constituting the Portfolio must be loans directly originated by the Company and not loans purchased from a third party. • Loans originated from the portfolio should not be provided to individuals who have had a history of late payments or overdues.

	• Loans constituting the Hypothecated Portfolio shall include loans given to salaried customers. • All customer protection regulations prescribed by the RBI must be complied with.
Transaction Documents	Shall be as set out in Section 7.1 below
Conditions Precedent to Disbursement	1) A certified true copy of the latest Charter Documents of the Issuer, certified as correct, complete and in full force and effect by the appropriate officer. 2) A certified true copy of the Board for issue of Debentures and *inter alia* with respect to: (a) approving the borrowings by way of issue of Debentures contemplated by the Debenture Trust Deed; (b) approving the creation of security interest in accordance with the provisions of the Transaction Documents; (c) appointment of Mitcon Credentia Trusteeship Services Limited as Debenture Trustee; (d) approving the terms and execution of, and the transactions contemplated by the Transaction Documents; (e) authorising a director or directors or other authorised executives to execute the Transaction Documents; (f) to appoint the other intermediaries in relation to the issue of Debentures; and (g) authorising a Person or Persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Transaction Documents. 3) A certified copy of a special resolution of the shareholders of the Company approving the private placement of the Debentures under Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, prescribed under Section 42 of the Companies Act.; 4) A certified true copy of the latest Charter Documents of the Guarantor, certified as correct, complete and in full force and effect by the appropriate officer. 5) A certified copy of the board resolution of the Guarantor where the guarantor is a corporate guarantor for providing the guarantee. 6) A certificate from the chartered accountant / company secretary of the Issuer and the Guarantor with respect to Section 185 and Section 186 of the Companies Act.

	7) A certificate from the authorised signatory of the Issuer/company secretary stating the following: (a) the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Company, together with the names, titles and specimen signatures of such authorised signatories; (b) that the Issuer has necessary powers under the Charter Documents of the Issuer to borrow monies ; (c) [that no consents and approvals are required from the Issuer from its creditors or any Governmental Authority or any other person for the issuance of Debentures or if required the same have been obtained;] (d) that the representations and warranties contained in this Deed and the Transaction Documents are true and correct in all respects; (e) no Event of Defaults or potential Event of Default has occurred or is subsisting; (f) no Material Adverse Effect has occurred; 8) A copy of the e-Form MGT-14 filed with the Registrar of Companies with respect to the board resolution or shareholders' resolution (as applicable and if required under the Act) passed for the of Debentures. 9) A specimen signature certificate of the authorised signatories of the Guarantor 10) The Issuer shall have executed the following in the manner and form as required by the Debenture Trustee: (a) DTAA; (b) Debenture Trust Deed; (c) Deed of Hypothecation; (d) Power of Attorney; (e) Deed of Corporate Guarantee; (f) Any other document as required by the Debenture Trustee or the Debenture Holders. 11) The Issuer shall have obtained the Debenture Trustee Consent Letter from the Debenture Trustee. 12) A copy of the press release issued by the Rating Agency along with the credit rating letter providing a credit rating to the Debentures along with the rating rationale/credit opinion. 13) A copy of the letter from the registrar to act providing its consent to act as the Registrar to act for the issue of the Debentures.

	14) A copy of the tri-partite agreement executed by the Issuer with the Registrar and the Depository. 15) The Issuer shall have circulated the PPOAL for the issue of Debentures. 16) The Issuer has made available to the Debenture Trustee and the Debenture Holders the latest Financial Statements for the previous Financial Year. 17) The Issuer shall have obtained in-principle approval from the Stock Exchange for listing of Debentures. 18) A copy of evidence that all "know your customer" has been provided to the satisfaction of the Debenture Trustee/Debenture Holders. 19) The Issuer shall have obtained a of the due-diligence certificate from the Debenture Trustee for Debentures. 20) The Issuer shall have obtained the International Securities Identification Number (ISIN) in respect of the Debentures . 21) The Issuer shall have complied with all the provisions of the SEBI circular on Operational Guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT), dated 29th March 2022 bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2022/38 in respect of Debentures. 22) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee. 23) Such other information/documents, certification by Issuer's authorized representatives, opinion and instruments as may be required by the Debenture Trustee.
Conditions Subsequent to Disbursement	1) Certified true copy of the board resolution for the allotment of the relevant Debentures, within 1 (one) Business Days of the Deemed Date of Allotment of Debentures 2) Filing of Form PAS-3 (as per the Act) being the return of allotment of Debentures with the Registrar of Companies along with payment of the requisite amount of fees as provided in the Companies (Registration Offices and Fees) Rules, 2014 within 2 (two) days from the Deemed Date of Allotment of Debentures. 3) Provide evidence that the Depository accounts of the Debenture Holders with the Depository have been credited with the relevant Debentures within 2 (two) days from the Deemed Date of Allotment of Debentures.

	4) Credit of the relevant Debentures in the demat account(s) of the allottee(s) within 2(two) Business Days from the Deemed Date of Allotment of Debentures. 5) Payment of stamp duty on Debentures within the Deemed Date of Allotment of Debentures. 6) Copy of Form PAS-5 being maintained by the Issuer in accordance with the Act, where the Issuer has recorded the names of the subscribers to the relevant Debentures within 7 (seven) Business Days of Deemed Date of Allotment of Debentures. 7) An end-use certificate from an independent Chartered Accountant, certifying the heads under which funds have been utilized in accordance with Transaction Documents, within 30 (thirty) days of the Deemed Date of Allotment of Debentures. 8) The Issuer shall have submitted a copy of filed Form CHG-9 (as per the Act) or such other form as may be prescribed with the relevant Registrar of Companies to be filed by the Issuer in relation to the Security created over the Hypothecated Assets, within timelines as mentioned in the Transaction Documents and in any case the form CHG-9 shall have been filed with the relevant Registrar of Companies by the Issuer within 30 (thirty) days of execution of each Deed of Hypothecation, together with the certificate of registration of charge obtained in relation to the same. 9) As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017. 10) Providing all the necessary assistance to the Debenture Trustee for filing of and registering with the Central Registry under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for the exercise of the rights, powers and authority hereby conferred on the Debenture Trustee for effecting and perfecting the Security created or purported to be created under each Deed of Hypothecation and for enforcement of such Security within the timeline stipulated under Applicable Law. 11) Obtaining the final listing approval from the Stock Exchange in respect of Debentures (including but not limited to payment of all fees) and list Debentures on the wholesale debt market segment of the Stock Exchange within 4 (four) working days from the issue closing date of Debentures.

	12) The Issuer shall, within 1 (one) days of the Deemed Date of Allotment, submit to the Debenture Trustee post- dated cheques and undated cheques towards payment of Redemption Amount and Coupon. 13) Any other document as required by the Debenture Trustee. 14) Any other document as required elsewhere under the Transaction Documents.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to Section 7.4 of the Placement Memorandum
Creation of recovery expense fund	Details and purpose of the recovery expense fund (a) The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular. The Issuer proposing to list debt securities shall deposit an amount equal to 0.01% of the issue size subject to maximum of Rs. 25 lakhs per issuer towards REF with the 'Designated Stock Exchange', as per circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 and dated October 22, 2020 on "Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as may be amended from time to time. (b) The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. (c) The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. (d) On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	Please refer sections named "Default Interest Rate" and "Events of Default".

Provisions related to Cross Default Clause	The Company (i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.
Role and Responsibilities of Debenture Trustee	The Debenture Trustee shall comply with all its roles and responsibilities as prescribed under Applicable Law and the Transaction Documents, including: (a) the Debenture Trustee may, in relation to the DTD and the other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise; (b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (c) with a view to facilitating any dealing under any provisions of the DTD or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the DTD; (d) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the` Debentures; (e) the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some

	defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders; (f) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof; (g) subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents; (h) subject to the approval of the Debenture Holder(s) by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (i) notwithstanding anything contained to the contrary in the DTD, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders; (j) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the DTD within 2 (two) Business Days of receiving such information or document from the Issuer; and (k) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Recovery Expense Fund Circular. Please also refer to **Annexure** VIII of this Placement Memorandum for the terms and conditions of the debenture trustee agreement.
Risk factors	Please refer to Section 3 (*Risk Factors*) of this Placement Memorandum

pertaining to the issue	
Governing Law	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in New Delhi, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.
Additional Disclosures (Security Creation)	In the event of any delay in the execution of any Transaction Documents (including the DTD or the Deed of Hypothecation, the Issuer will, at the option of the Debenture Holders, either: (i) refund the Application Monies together with interest at the Interest Rate/discharge the Secured Obligations to the Debenture Holders; or (ii) pay to the Debenture Holders penal interest at the rate of 2% (two percent) per annum charged on the Outstanding Principal Amounts in addition to the Interest Rate till the relevant Transaction Documents (as the case may be) are duly executed to the satisfaction of the Debenture Holders.
Additional Disclosures (Default in Payment)	The Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the applicable Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of a Payment Default or any other Event of Default until such Payment Default or Event of Default is cured, on each Interest Payment Date occurring during the aforementioned period.
Additional Disclosures (Delay in Listing)	In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer confirms that In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will: (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the closure of the issue of the Debentures until the listing of the Debentures is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

Note:

1. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.

2. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

3. While the debt securities are secured to the tune of 110% of the principal and interest amount or as per the terms of Placement Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

4. The Issuer shall provide granular disclosures in this Placement Memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

a. To raise debt to the extent of up to Rs. 30,00,00,000/- (Rupees Thirty Crores only) for the following purposes of on-lending purposes for origination of personal loans

b. The proceeds of the Debentures will not be utilised for:

- any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities;
- any speculative purposes;
- investment in the real estate sector;
- in contravention of any guidelines, rules or regulations of the SEBI applicable to non-banking financial companies related to private placement of the debentures

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

(A) **Name of the bank declaring the entity as a Wilful Defaulter**: NIL

(B) **The year in which the entity is declared as a Wilful Defaulter**: N.A

(C) **Outstanding amount when the entity is declared as a Wilful Defaulter**: N.A

(D) **Name of the entity declared as a Wilful Defaulter**: N.A

(E) **Steps taken, if any, for the removal from the list of wilful defaulters**: N.A

(F) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions**: N.A

(G) **Any other disclosure as specified by SEBI:** N.A

SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**"):

(a) Debenture Trustee Agreement, which will confirm the appointment of MITCON Credentia Trusteeship Services Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");

(b) Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("**Debenture Trust Deed**");

(c) Deed of Hypothecation shall mean the unattested deed of hypothecation dated on or around the date of the DTD to create a first ranking, exclusive, current and continuing charge over the Hypothecated Assets, to be executed between the Issuer and the Debenture Trustee to secure the Secured Obligations in relation to the Debentures ("**Deed of Hypothecation**"); and

(d) Such other documents as agreed between the Issuer and the Debenture Trustee.

7.2 Representations and Warranties of the Issuer

Representations and Warranties

The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of this Deed and during the term of the Debentures.

(a) **Status**

(i) It is a company, duly incorporated, registered and validly existing under the Laws of India.

(ii) It is registered as a non-banking financial company with the RBI.

(iii) It and each of its subsidiaries (as defined under the Act) has the power to own their respective Assets and carry on their respective business as it is being conducted.

(b) **Binding obligations**

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) **Non-conflict with other obligations**

The entry into and performance by it of, the transactions contemplated by the Transaction Documents do not and will not conflict:

(i) any Law or regulation applicable to it;

(ii) its Constitutional Documents

(iii) any agreement or instrument binding upon it or any of its Assets.

(d) **Power and authority**

It has the power to issue the Debentures and to enter into, perform and deliver, and has taken all necessary authorisations its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(e) **Validity and admissibility in evidence**

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

(iii) for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

(f) **No default**

No Event of Default or potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.

(g) **Ranking**

The Debentures shall be secured by first ranking exclusive charge over the Hypothecated Assets in terms of Hypothecation Agreement. Each Debenture constitutes direct and unconditional and secured obligations of the Company. Except as otherwise preferred under Applicable Law, the claims of the Debenture Holders shall be superior to all the claims of equity investors/ lenders of Tier I Capital and Tier II Capital (including without limitation, any Subordinated Debt) and shall rank at least pari passu inter se and to all other lenders who have not expressly agreed to subordinate their claims to those of other lenders of the Company.

(h) **No proceedings pending**

Except as disclosed by the Company in its Disclosure Document(s), annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company, where such proceedings could result in or cause a Material Adverse Effect.

(i) **No misleading information**

(A) All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

(B) It has disclosed all information in the Disclosure Document(s) that is relevant for the Applicants to apply for subscription of the Debentures.

(j) **No Material Adverse Effect**

(i) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.

(ii) Neither the Company nor any Group Entity has violated, or breached any applicable Law (including, but not limited to, any Environmental and Social Requirements or Client Protection Laws) which has resulted in or could reasonably be expected to have a Material Adverse Effect.

(k) **Assets**

Except for the security interests and encumbrances created and recorded with the ROC updated from time to time, the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(l) **Financial statements**

(i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with Indian GAAP consistently applied save to the extent expressly disclosed in such financial statements.

(ii) Its financial statements for the Previous Year supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.

(iii) It has disclosed all its borrowings from various banks and financial institutions in the Disclosure Document(s).

(m) **Solvency**

(i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of applicable Law, nor will it become unable to pay its debts for the purposes of applicable Law as a consequence of entering into this Deed or any other Transaction Document.

(ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Indebtedness.

(iii) The value of the Assets of the Company is more than its liabilities (taking

into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

(iv) The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(v) No insolvency or bankruptcy process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016 in respect of the Company.

(vi) No reference, enquiry or proceedings under corporate debt restructuring (CDR) mechanism or the strategic debt restructuring (SDR) mechanism of the RBI, and no steps have been taken by any lender in respect of any member of the Group, under the 'Scheme for Sustainable Structuring of Stressed Assets (S4A) issued by the RBI.

(n) **No immunity**

The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process.

(o) **Legal and Beneficial Ownership**

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLLPIN of the Company on the website http://www.mca.gov.in/MCA21/index.html under the heading "Index of Charges"), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(p) **Compliance with Laws**

(i) The Company and its Group Entities have conducted and are conducting their respective businesses in all material respects in compliance with all applicable Laws including but not limited to Environmental and Social Requirements and Client Protection Laws.

(ii) With respect to all such Environmental and Social Requirements, the Company and each Group Entity (1) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (2) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (3) have not received any complaint or claim from any person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.

(iii) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, the BSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

(iv) Borrower shall ensure compliance with RBI Digital Lending Guidelines (as applicable from time to time) on a continuing basis till complete redemption of the Debentures.

(q) **Anti-terrorism Laws**

The Company and its affiliates are in compliance in all respects with all Anti-Terrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism /and Anti-Money Laundering.

(r) **No Corrupt Practices**

(i) Neither the Company nor its Promoters or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.

(ii) Neither the Company nor any Group Entity through its officers, directors or employees in such capacities or any person acting on behalf of the Company or any Group Entity have engaged in any Objectionable Practice.

(s) **Taxation**

(i) The Company has duly and punctually paid and discharged all Taxes imposed upon it or its assets within the time period allowed without incurring penalties save to the extent that (A) payment is being contested in good faith, (B) the Company has maintained adequate reserves for those Taxes, and (C) payment can be lawfully withheld;

(ii) The Company is not overdue in the filing of any Tax returns.

(iii) No claims exceeding Tax Claims Amount are being or are reasonably likely to be asserted against the Company with respect to Taxes, where such claims could result in or cause a Material Adverse Effect.

(t) **Disclosures in Disclosure Document(s)**

The extent of disclosures made in the Disclosure Document(s) is consistent with disclosures permitted by Government Authorities in relation to the issue of securities made by the Company prior to the issue of the Debentures.

(u) **Audit**

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

(v) **Good Business Standard**

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

(w) **Proper book-keeping and accounting**

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

(x) **Employees**

The Company is in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.

(y) **Compliance with RBI/SEBI Regulations and the Act's Requirements**

The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable. Any provision in the Deed which is not in compliance with regulations of the RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.

3.3 **Affirmative Covenants**

The Company agrees and undertakes to abide by and comply with all the covenants and undertakings set out in **Schedule VII** (Affirmative Covenants) all times until the Final Settlement Date.

3.4 **Negative Covenants**

Without the prior written consent of the Debenture Trustee the Company shall not take any action/ permit any action to be taken in relation to the items set out in **Schedule XI** (Negative Covenants). The Debenture Trustee reserves the right to take the consent of the Majority Debenture Holders prior to any such approval/rejection, if it deems necessary.

3.5 **Register of Debenture Holders**

A Register of Debenture Holders shall be maintained at the registered office of the Company or with their Registrar and the Register of Debenture Holders/ the Register of Beneficial Owners, shall be closed during the Register Closure Period, the Final Redemption Date or any other payment date by acceleration.

In case of dissolution/bankruptcy/insolvency/winding up of Debenture Holders, the debenture certificates shall be transmittable to the legal representative(s) / successor(s) or the liquidator as the case may be in accordance with the applicable provisions of Law on such terms as may be deemed appropriate by the Company.

3.6 **Future Borrowings**

The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee in this connection subject to maintenance of Security Cover Ratio at all times during the tenure of the Debentures till Final Settlement Date. However, no such borrowings will have the benefit of the security interest created over the Hypothecated Assets and granted to the Debenture Trustee and Debenture Holders under the Transaction Documents. Notwithstanding anything contained in this Clause, the Company shall continue to comply with the financial covenants set forth in **Schedule IX** (Financial Covenants).

3.7 **Costs**

All reasonable expenses incurred by the Debenture Trustee prior to or following the occurrence of an Event of Default, including in connection with:

(a) preservation of the Hypothecated Assets (whether then or thereafter existing); or

(b) collection of amounts due under the Transaction Documents; or

(c) engaging intermediaries; or

(d) all expenses in relation to issue of Debentures; or

(e) legal costs; or

(f) stamp duty on any Transaction Documents,

shall be payable by the Company and shall stand secured under the Transaction Documents.

3.8 **Discretionary Audit**

The Company agrees to the Debenture Trustee or any Person authorised by it and/or any Debenture Holder or any Person authorised by it conducting an audit on the review of collection standards, management, governance, internal systems and processes, and data integrity of the Company at any time on or prior to the Final Settlement Date. The scope of such audit shall inter alia cover visit to operational (field) areas of the Company as well as the head office and/or any regional or state level or other branch offices and discussions with employees of the Company as well as with Obligors of the Company. However, such audits shall be carried out only during the business hours of the Company and after giving a 15 (fifteen) days' notice to the Company. All costs with respect to the discretionary audit shall be borne by the Company.

t4. **EVENTS OF DEFAULT AND REMEDIES**

4.1 If one or more of the events specified in **Schedule XII** (Events of Default) occur(s), the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in **Clause 6** (Provisions for the meetings of the Debenture Holders) hereto by a notice in writing to the Company initiate the following course of action:

(a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents;

(b) declare all or any part of the Debentures to be immediately (or on such dates as the DebentureTrustee may specify) due and payable, whereupon it shall become so due and payable;

(c) enforce any security created pursuant to the Hypothecation Agreement in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;

(d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;

(e) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company,

(f) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a committee of the Debenture Holder(s) to

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

(g) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out in by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred.

(h) take all such other action expressly permitted under this Deed or in the other Transaction Documents or permitted under the Law including invocation of guarantee (if applicable); and

(i) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.

4.2 **Dividend**

As long as Event of Default subsists or if the Debenture Trustee has exercised any of the remedies under Clause 4, then until the rectification of the Event of Default or until the redemption of the Debentures in full to the satisfaction of the Debenture Trustee, the Company shall not, without the prior written consent of the Majority Debenture Holders, declare or pay any dividend or make any distribution of its share capital or purchase or redeem or otherwise acquire any part of its own share capital or in any other way transfer funds from the Company to the shareholders.

4.3 **Notice on the Occurrence of an Event of Default**

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, has happened, the Company shall, forthwith give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such Event of Default, or of such event.

4.4 **Right to Disclose/Publish the Names of the Company and its Directors as Defaulters**

In the event of the Company committing default in the repayment of any instalment in relation to the Debentures or the payment of interest on the applicable Due Dates, the Debenture Holders/Debenture Trustee shall have an unqualified right to disclose the name of the Company and its directors to RBI/or any other statutory/regulatory authority. The Trustee and/or RBI and/or any other Governmental Authority shall have the right to publish the name of the Company and its directors as defaulters in such manner and through such medium as they in their absolute discretion may think fit.

7.3 **COVENANTS OF THE ISSUER**

(i) **AFFIRMATIVE COVENANTS**

(a) **Notice of winding up or other legal process**

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

(b) **Loss or damage by uncovered risks**

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

(c) **Costs and expenses**

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

(d) **Payment of Rents, etc.**

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

(e) **Preserve corporate status; authorisations**

Company shall

(i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed; and

(ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel;

(iii) promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures;

(f) **Pay stamp duty**

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

(g) **Furnish information to trustee**

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

(h) **Grievance**

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

(i) **Specific Information to be provided to the Debenture Trustee**

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

(i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XII** (Events of Default) of this Deed;

(ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange (if the Debentures are listed);

(iii) details of any material litigation, arbitration or administrative proceedings, etc. against the Issuer for an amount exceeding INR 50 lakhs including those that are required to be disclosed to the stock exchange under the listing agreement entered into with the stock (if the Debentures are listed);

(iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and

(v) the declaration or distribution of dividend;

(j) **Comply with Investor Education and Protection Fund requirements**

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

(k) **Further assurances**

Company shall

(i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

(ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;

(iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed;

(iv) comply with:

(A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (if the Debentures are listed) (i) , as may be in force from time to time during the tenor of the Debentures; (ii) the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ((v) NCS Listing Regulation and (iv) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures;

(B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;

(C) the provisions of the Act in relation to the issue of the Debentures;

(D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and

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

(l) **Security**

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

(i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(ii) that all the Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee.. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;

(iii) shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each Monthly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or Replace any Receivables constituting the Hypothecated Assets in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times from the First Security Cover Determination Date until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;

(iv) shall, on the First Security Cover Determination Date and every Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;

(v) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Hypothecation Agreement;

(vi) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule VIII** (Eligibility Criteria);

(vii) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and

(viii) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under this Deed;

(m) **Filings**

If the Debentures are listed, the Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

(n) **Amounts to be reimbursed to the Debenture Trustee**

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

(o) **Delay in Security Creation**

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

(i) refund the Application Money as set out in Clause 2.5 of this Deed, to the Debenture Holders; or

(ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.

(p) **Books of Account**

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

(q) **Material Adverse Effect**

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

(r) **Insurance**

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

(s) **Corporate Governance**

(i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;

(ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 1 (one) independent director; and

(iii) the Company shall at all times comply with the NBFC Master Directions.

(t) **General**

(i) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;

(ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;

(iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;

(iv) the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time; and

(v) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

(u) **Access**

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

(i) check the management of the funds made available through subscription to the Debentures;

(ii) inspect and take copies and extracts from the books, accounts and records of the Company;

(iii) visit and inspect the premises of the Company; and

(iv) meet and discuss matters with senior management employees of the Company.

(v) **Conditions Subsequent**

Company shall comply with the conditions stipulated in **Schedule XIII** (Conditions Subsequent).

(w) **Financial Covenants**

Company shall comply with the financial covenants stipulated in **Schedule IX** (Financials Covenants).

(x) **Issue Terms and Conditions**

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

(y) **Internal Controls**

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

(bb) Information to Debenture Trustee

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as laid out in Clause 5.14 and as may be required by SEBI from time to time.

(ii) **NEGATIVE COVENANTS**

(a) ***Change of business***

Change the general nature of its business from that which is permitted by the RBI. The Issuer shall not undertake any new major new business outside financial services or any diversification of its business outside financial services, without approval of Majority Debenture Holders.

(b) ***Change in Constitutional Documents***

Change or make any alteration to its Constitutional Documents other than in ordinary course of business Any new equity raising which results in change in the existing Articles would be communicated to Debenture Holders and consent would be sought. If there is no response within 10 calendar days, it will be deemed as consent given by Debenture Holders

(c) ***Change in Promoter/change in shareholding of key shareholder of the Promoters***

i. The Company will ensure that prior to the Final Redemption Date, there will be no sale, disposal or transfer in any matter whatsoever of the equity shares held by the Promoter in the Company whereby the equity stake of the Promoter in the share capital of the Company nor will the Promoter encumber (in any manner whatsoever) the equity shares held by the Promoter in the Company.

ii. Until the Final Redemption Date, the Company will procure and ensure that the Promoter will not exit and shall not reduce their equity holding below 51% .

iii. Issuer shall procure and furnish the Debenture Trustee with undertaking(s) issued by the Key Shareholders to that effect as a condition precedent for disbursement of the Debenture amount or any part thereof each of the persons mentioned below (collectively "Key Shareholders") shall not transfer or encumber the shares of the Issuer held by them respectively without the prior written consent of the Debenture Trustee. Any change in the stake of the Key Shareholders in the Issuer below the existing level set out in the following table shall require prior written consent of the Subscriber.

Name	Type Of Shareholding	Existing % Stake
Morus Technologies Pte. Ltd	Ordinary Equity	99.99%

(d) ***Dividend***

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

(i) the proposed payment or distribution is out of profits of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);

(ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;

(iii) the Company is in compliance with the financial covenants set forth in **Schedule IX** (*Financial Covenants*); and

(iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

(e) ***Merger, consolidation, etc.***

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(f) ***Associates, Subsidiaries, and Joint Ventures***

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

(g) ***Acquisition***

The Issuer shall not acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise.

(h) ***Joint Venture***

Without the prior written consent of the Majority Debenture Holders:

(i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or

(ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(i) ***Loans and Guarantees***

The Company shall not:

(i) extend a loan to any single individual or entity amounting to greater than 1.0% (One percent) of its Tangible Net Worth; or

(ii) Enter into any transaction(s) (including but not limited to loans or advances and investment by way of share capital) other than in its ordinary course of business.

(i) Provide any guarantee other than in the ordinary course of business or First Loss Default Guarantee (FLDG's) for co-lending partnerships or credit enhancement for securitizations

(j) ***Arm's length basis; No profit sharing arrangements***

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

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

((ii)_ Issuer shall not without the prior written consent of the Debenture Trustee enter into or perform any transaction other than in its ordinary course of business.

(k) ***Immunity***

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(l) ***Auditor***

Change its auditor (except where mandated under Applicable Law) without the prior written consent of the Majority Debenture Holders. The Company shall authorize its auditors to communicate directly with the Debenture Trustee and the Debenture Holders.If the Debenture Trustee does not within 10 Business Days, it shall be deemed to be approved by the Debenture Trustee.

(m) ***Liabilities***

Except to the extend mandated under Applicable Law, Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(n) ***Change of control***

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in change in Control of the Company..

No prior written consent of the Debenture Trustee is required if the issue of any additional shares or equity interests, transfer, sale, pledge or encumbrance of its existing shares or equity interests does not result in change in Control of the Company.

(o) ***Disposal of Assets***

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Company, other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business.

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

(p) ***Management Control***

Any change in Management Control of the Company.

(q) ***Material compromise or Settlement***

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

(r) ***Anti-money laundering***

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

(s) ***Related Party Transactions***

(t) Without prior written intimation to the Subscriber, the Issuer shall not enter into or perform any transaction(s) with a related party except for transactions with EQX Analytics Pvt. Ltd., and Morus Technologies Pte. Ltd. in the ordinary course of business. Without prejudice to the foregoing, the Issuer shall not without the prior written consent of the Subscriber (i) enter into any transaction(s) with a related party whereby the overall outstanding amount owed to the Issuer under all such transactions exceeds 10.00% (Ten Point Zero Zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions with a related party during any financial year exceeds 10.00% (Ten Point Zero Zero percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party. The Subscriber shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).***Financial Year***

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

(s) ***Others***

Without prejudice to Clause (a) (*Change of business; Role of Promoter*) of this **Schedule XI** (*Negative Covenants*), permit sale/ transfer/ disposal of (i) equity shares of the Company, or (ii) instruments that are compulsorily and mandatorily convertible into equity shares of the Company, by the Promoter(s) and/ or (iii) permit the Promoter(s) to sell/dispose of their shares or Control over the Company in any manner.

(iii) **REPORTING COVENANTS**

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

(a) Monthly Reports

As soon as available and in any event within 15 (fifteen) business days after the end of each calendar month, the list of assets hypothecated under the Hypothecation Agreement in form and substance satisfactory to the Debenture Trustee and the Debenture Holders.

(b) Quarterly Reports

As soon as available and in any event within 45 (Forty five) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in

form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(i) financials, operations, portfolio growth and asset quality [(including static portfolio cuts, collection efficiency and portfolio at risk data)], funding in formats acceptable to the Investor;

(ii) the shareholding structure and composition of the board of directors in the Company;

(iii) if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI);

(iv) a compliance certificate regarding the financial covenants set forth in **Schedule IX** (*Financial Covenants*) in form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;

(iv) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:

(a) Updated list of the names and addresses of the Debenture Holders.
(b) Details of the Coupon due, but unpaid and reasons thereof.
(c) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.
(d) A statement that the Hypothecated Assets is sufficient to discharge the claims of the Debenture Holders as and when they become due

(v) information on:

(1) any new product being introduced, including a loan product or any other financial product or any new business correspondent relationship is established or discontinuance of existing relationship;

(2) expansion of operations into any new district, city or state or geography;

(3) any change in a service or feature change in an existing product;

(4) if the Company is proposing to expand to any location other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;

(5) if the Company makes any material changes to the information system or loan management software, in terms of upgrade or installing a new software, other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;

(6) if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company;

(7) any revisions in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;

(8) any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment;

(9) if there is any fraud, amounting to more than 1% of Gross Loan Portfolio; and

(10) such other information, as may be required by the Debenture Trustee.

(11) New business correspondent relationships or discontinuance of existing relationships

(12) Material changes to the IT / MIS systems;

(13) Issuer shall provide product-wise details of monthly write offs on its own books and guarantee payments made by EQX Analytics Private Limited to Co-Lending partners on a quarterly basis in the format as specified by the Debenture Holders..

(14) Issuer shall provide details of a) operational information, b) portfolio cuts, c) monthly disbursements d) monthly dpd statement, e) changes in Board & management and f) changes in shareholding pattern on a quarterly basis in the format as specified by the Lender within 45 days from the end of each quarter. Issuer shall provide details required to check covenant compliance.

(15) Issuer shall provide details of transactions with related parties and balances outstanding on a quarterly basis in the format as specified by the Lender.

(16) Issuer shall provide the static pool analysis and vintage curve data of the Portfolio and Gross Loan Portfolio

(17) Issuer shall share information about facilities sanctioned to it by other lenders including sanction letters from such other lenders every month.

(18) Issuer shall forthwith provide written notice of any material event adversely impacting its business.

(19) Issuer shall forthwith provide written notice of occurrence or likely occurrence of any Event of Default.

(c) Annual Reports

As soon as available, and in any event within 120 (One Hundred and Twenty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with Indian GAAP including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;

(ii) a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default;

(iii) all annual information submitted to the RBI; and

(iv) the corporate social responsibility report confirming adherence by the Company to its corporate social responsibility policy.

(d) Event Based Reports

(ii) As soon as available and in any event within 5 (Five) Business Days of the occurrence of such event, the details of any change in the shareholding structure of the Company, in form and substance satisfactory to the Debenture Trustee and the Debenture Holders.

(iii) As soon as available and in any event within 5 (Five) Business Days of the occurrence of such event, the details of any change in board of directors and other senior management officials like Chief Executive Officer, Chief Financial Officer/Head of Finance and Treasury, Chief Risk Officer, Chief Operations Officer/Head of Business and the Head of Audit;

(iv) As soon as available and in any event within 5 (Five) Business Days after receiving approval by the board of the Company, the annual business plan of the Company including a detailed investment budget and forecast accounts for the following Financial Year and financial projections for at least the next 5 (five) years;

(v) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 5 (Five) Business Days from the occurrence of such event:

(a) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

(b) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;

(c) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;

(d) the Company makes any prepayment or receives a notice of any prepayment of any Financial Indebtedness of the Company;

(e) the Company alters its Constitutional Documents; and

(f) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company.

F. Reporting to stock exchange

Company, shall make all disclosures to stock exchanges as required under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, amended from time to time.

(iv) **FINANCIAL COVENANTS**

7.4 **EVENTS OF DEFAULT**

(a) ***Payment Defaults***

The Company does not pay on the Due Date any amount payable pursuant to this Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by

administrative or technical error and payment is made within 3 (Three) Business Days of its Due Date.

(b) ***Insolvency / Inability to Pay Debts / Distress***

(i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

(iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

(c) ***Charge over Hypothecated Assets***

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

(d) ***Business***

The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(e) ***Security in Jeopardy***

(i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;

(ii) If, the security provided pursuant to the Hypothecation Agreement depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;

(iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or

(iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum Security Cover Ratio specified in the Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

(f) ***Misrepresentation***

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

(g) ***Material Adverse Change***

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect.

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

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;

(B) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;

(C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company or its Affiliate; or

(D) the Company or its Affilate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));

(E) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate; or

(F) enforcement of any security over any Assets of the Company or its Affiliate.

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (F) above.

(i) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Special Resolution of Debenture Holders.

(ii) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days;

(i) ***Cross Default***

The Company (i) defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 days), if any, provided in the instrument or agreement under which

such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(j) ***Creditors' Process***

(i) All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.

(ii) The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.

(iii) The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws for an amount exceeding 50 Lakhs and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.

(iv) The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.

(v) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.

(k) ***Judgments Defaults***

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

(l) ***Transaction Documents***

(i) This Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.

(ii) In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction

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

(m) ***Unlawfulness***

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

(n) ***Repudiation***

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

(o) ***Information Covenants***

The failure to comply with any reasonably monitoring and/or servicing requests from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed in **Schedule XI** (*Reporting Covenants*).

(p) ***Government Intervention***

(i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;

(ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or

(iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(q) ***Delisting***

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(r) ***Cessation***

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

(s) ***Alteration in Constitutional Documents***

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

(t) ***Non-compliance with judicial order***

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

(u) ***Erosion of Net Worth***

The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Act) of the Company has eroded by 50% or more starting December 31, 2022..

(v) ***Merger***

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

(w) ***Sale, disposal***

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

(x) ***Third party***

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

(u) ***Management Control***

Any change in management control (Promoters to retain 51% shareholding during the tenor of the NCD issue) without prior written consent from the majority Debenture Holders

(y) ***Wilful default***

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

(z) ***Siphoning of fund of the Issuer***

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer

(aa) ***Breach of Financial Covenants***

Any breach of financial covenants stipulated in **Schedule IX** (*Financial Covenants*) and such breach is not remedied (if capable of remedy) within the expiry of Cure Period for breach of Financial Covenants from the date of such breach.

(bb) **Breach of Negative Covenants or Affirmative Covenants**

Any breach of negative covenants mentioned in **Schedule XI** (Negative Covenants) or Affirmative Covenants as set out in **Schedule VI**I (Affirmative Covenants) of this Deed.

(cc) **Rating Downgrade**

If any time during the tenor of the debentures, the rating of the instrument is downgraded to below BBB-.

(dd) ***Breach of other terms of this Deed***

A breach by the Company of any of its obligations and covenants provided in terms of this Deed or other Transaction Documents (other than (a) to [(cc)] above) and such breach is not remedied (if capable of remedy) within the expiry of Cure Period for breach of Other Covenants from the date of such breach.

Please note that the Capitalised terms used in this section, but not defined herein, shall have the meaning as assigned to such term in the Debenture Trust Deed.

7.5 **Eligibility to come out with the Issue**

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

7.6 **Registration and Government approvals**

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

7.7 **Authority for the Issue**

This present private placement of Debentures is being made pursuant to the resolution passed by the board of directors of the Company at its meeting held on 17th November, 2022 and shareholders of the Company at its meeting held on 24th November, 2022**.** A copy of the board resolution and shareholders resolution is attached hereto as **Annexure XII** and **Annexure XIII** respectively.

7.8 **Date of Allotment**

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

SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Placement Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

5.3 Mode of Transfer/Transmission of Debentures

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

5.4 Debentures held in Dematerialised Form

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

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

5.5 Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed MITCON Credentia Trusteeship Services Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

5.6 Sharing of Information

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

5.7 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

5.8 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in the Placement Memorandum which, in the opinion of the Debenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

5.9 Right to accept or reject Applications

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

5.10 Notices

Any notice in respect of the Debentures may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the Transaction Documents.

5.11 Issue Procedure

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

The Applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account as per the details mentioned in the Application Form.

5.12 Application Procedure

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

5.13 Fictitious Applications

All fictitious applications will be rejected.

5.14 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to potential investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

5.15 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 10,00,000/- (Indian Rupees Ten Lakh) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date through RTGS to the following account:

Beneficiary Name	AKARA CAPITAL ADVISORS PRIVATE LIMITED NCD APPLICATION ACOUNT
Bank Account No.	433305000397
SWIFT Code	-
IFSC Code	ICIC0004333
Bank Name	ICICI Bank
Branch Address	Block –B, Vatika First India Palace, M G Road, Gurugram, Haryana - 122001

5.16 **Eligible Investors**

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

(a) Resident Individuals

(b) Hindu Undivided Family

(c) Trust

(d) Limited Liability Partnership, Partnership Firms

(e) Portfolio Managers and Foreign Portfolio Managers registered with SEBI

(f) Association of Persons

(g) Companies and Body Corporates including all Public Sector Undertakings

(h) Commercial Banks, Regional Rural Banks, Financial Institutions

(i) Insurance Companies

(j) Mutual Funds, Alternative Investment Funds (AIFs)

(k) Any other investor eligible to invest in the Debentures

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

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

5.17 **Procedure for Applying for Dematerialised Facility**

(a) The applicant must have at least one beneficiary account with any of the DP's of NSDL and CDSL prior to making the application.

(b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".

(c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

(d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

(f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

(h)

(i) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

5.18 **Depository Arrangements**

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

5.19 **List of Beneficiaries**

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

5.20 **Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority

should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

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

5.21 **Procedure for application by Mutual Funds and Multiple Applications**

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

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

(a) SEBI registration certificate

(b) Resolution authorizing investment and containing operating instructions

(c) Specimen signature of authorized signatories

5.22 **Documents to be provided by Investors**

Investors need to submit the following documents, as applicable:

(a) Memorandum and Articles of Association or other constitutional documents

(b) Resolution authorising investment

(c) Certified true copy of the Power of Attorney to custodian

(d) Specimen signatures of the authorised signatories

(e) SEBI registration certificate (for Mutual Funds)

(f) Copy of PAN card

(g) Application Form (including EFT/RTGS details)

5.23 **Applications to be accompanied with Bank Account Details**

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

5.24 **Succession**

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

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

5.25 **Mode of Payment**

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

5.26 **Effect of Holidays**

(a) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.

(b) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.

(c) If the Final Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

5.27 **Tax Deduction at Source**

(a) All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.

(b) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.

(c) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.

(d) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

5.28 **Letters of Allotment**

N. A. In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within 2 (two) Business Days from the Deemed Date of Allotment.

5.29 **Deemed Date of Allotment**

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is 28th December, 2022 by which date the Investors would be intimated of allotment.

5.30 **Record Date**

The Record Date will be 15 (fifteen) days prior to each Due Date or any other payment date by acceleration. In case of dissolution/bankruptcy/insolvency/winding up of Debenture Holders, the debenture certificates shall be transmittable to the legal representative(s)/successor(s) or the liquidator as the case may be in accordance with Applicable Law and on such terms as may be deemed appropriate by the Company.

5.31 **Refunds**

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

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

5.32 **Interest on Application Monies**

(a) Interest at Interest Rate, subject to deduction of tax at source in accordance with Applicable Law, will be paid by the Company on the Application Monies to the Applicants from the date of receipt of such Application Monies up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Monies and the Deemed Date of Allotment are the same, no interest on Application Monies will be payable.

(b) Where the entire subscription amount has been refunded, the interest on Application Monies will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.

(c) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.

5.33 **PAN Number**

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

5.34 **Redemption**

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

5.35 **Payment on Redemption**

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

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

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

5.36 **Payment of Coupon**

Payment of Coupon on the Debenture(s) will be made on Coupon Payment Dates as specified in this Placement Memorandum to those Debenture Holders whose name(s) appear in the Register of Debenture Holder(s) (or to the first holder in case of joint holders) as on the relevant Record Date fixed by the Issuer for this purpose and /or as per the list provided by the Depository to the Issuer of the beneficiaries who hold Debentures in demat form on such Record Date, and are eligible to receive Coupon. Payment will be made by the Issuer after verifying the bank details of the Debenture Holders, by way of direct credit through Electronic Clearing Service ("**ECS**"), Real Time Gross Settlement ("**RTGS**") or National Electronic Funds Transfer ("**NEFT**").

In the event of any default in the payment of Coupon and/or in the redemption of the Debentures on the respective Payment Dates and all other monies payable pursuant to the Transaction Documents read with this Placement Memorandum, the Issuer shall pay to the Debenture Holders, default interest at the rate specified in **Section VI** (*Summary Term Sheet*) for the default in payment of Coupon, and/or Redemption Amount till the dues are cleared.

Disclaimer: Please note that only those persons to whom this Placement Memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

SECTION 9: UNDERTAKING

(1) UNDERTAKINGS IN RELATION TO THE ISSUER BEING ELIGIBLE UNDER THE SEBI NCS REGULATIONS

The Issuer hereby undertakes and confirms that the following (as set out in Regulation 5 of the SEBI NCS Regulations) are not applicable to the Issuer as on the date of this Placement Memorandum:

(a) the Issuer, any of its promoters, promoter group or directors are debarred from accessing the securities market or dealing in securities by the Board;

(b) any of the promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the Board;

(c) the Issuer or any of its promoters or directors is a wilful defaulter;

(d) any of the promoters or whole-time directors of the issuer is a promoter or whole-time director of another company which is a wilful defaulter;

(e) any of its promoters or directors is a fugitive economic offender; or

(f) any fine or penalties levied by the Board / Stock Exchanges is pending to be paid by the Issuer at the time of filing this Offer Document.

(2) UNDERTAKING ON CREATION OF SECURITY PURSUANT TO REGULATION 48(2) OF THE SEBI NCS REGULATIONS

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances. The Issuer further undertakes that the charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

(3) UNDERTAKING PURSUANT TO PARAGRAPH 2.3.24 of SCHEDULE II OF THE SEBI NCS REGULATIONS

The Issuer undertakes and states as follows:

(a) Prospective investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 19 under the section 'GENERAL RISKS AND RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES';

(b) the Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in this Offer Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect; and

(c) the Issuer has no side letter with any debt securities holder except the one(s) disclosed in this Offer Document/Placement Memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

(4) **DISCLOSURES PURSUANT TO THE SEBI DUE DILIGENCE CIRCULAR**

(a) **Details of assets, movable property and immovable property on which charge is proposed to be created**

Movable assets comprising receivables from loans provided by the Issuer.

(b) **Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

No title deeds are applicable or available for movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer. The details of the underlying loan agreements will be set out in the Deed of Hypothecation.

(c) **Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc**

The details of the charge created over the movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer under the Deed of Hypothecation will be reported to the relevant registrar of companies and the Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI) within the timelines prescribed under Applicable Law. As the charge is being created over movable assets, no filings are required to be made with any sub-registrar.

(d) **For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances.

(e) **In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security**:

(i) ***Details of guarantor viz. holding/ subsidiary/ associate company etc.***: NA

(ii) ***Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities***: NA

(iii) ***List of assets of the guarantor along-with undertakings/ consent/ NOC as per para 4.2 and 4.3 above***: NA

(iv) ***Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created***: NA

(v) ***Impact on the security in case of restructuring activity of the guarantor***:

(vi) ***Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor***: NA

(vii) ***Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer***: NA

(viii) ***The Guarantor provides guarantees on a routine basis in the ordinary course of its business.*** **NA**:

(f) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these**

securities shall be pledged in favour of debenture trustee(s) in the depository system: Not Applicable

(g) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.**: N. A.

(h) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security**: Not applicable.

(i) **Declaration**: The Issuer declares that debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

(j) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s)**: Please refer consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and the Engagement Letter for fee of the Debenture Trustee.

(k) **Details of security to be created**: Please refer section named "*Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)*" in Section 5.35 (*Issue Details*).

(l) **Process of due diligence carried out by the debenture trustee**: The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*" and SEBI's circular bearing reference number SEBI/HO/MIRSD/ CRADT/CIR/P/2022/67 dated May 19, 2022 on "*Revised format of security cover certificate, monitoring and revision in timelines*". The due diligence broadly includes the following:

(i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Debentures.

(ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.

(iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from time to time (including the SEBI Due Diligence Circular) as per the nature of security provided by the Issuer in respect of the Debentures.

(iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

Even though the Debentures are to be secured to the extent of at least 110% of the principal and interest amount or as per the terms of this Placement Memorandum, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Due diligence will be carried out for maintenance of the prescribed security cover depending on information provided by the Issuer and the chartered accountant appointed by the Debenture Trustee or the Debenture Trustee will not be responsible for misinformation provided by Issuer.

(m) **Due diligence certificate as per the format specified in Annexure A**: Enclosed as Annexure VII.

(n) **Due diligence certificate as per the format specified in Schedule IV of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**: Enclosed as Annexure VII.

(5) **OTHER UNDERTAKINGS**

The Issuer hereby confirms that:

(a) the Issuer is eligible and in compliance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, to make the private placement of debt instruments;

(b) (to the extent applicable) the Issuer or its promoters or whole-time directors are not in violation of the provisions of Regulation 24 of the SEBI Delisting Regulations, 2009;

(c) neither the Issuer nor any of its promoters or directors is a willful defaulter as defined under Regulation 2 (1) (ss) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and

(d) the Issuer, its promoters, its directors are not in violation of the restrictions imposed by SEBI under SEBI circular no. SEBI/HO/ MRD/DSA/CIR/P/2017/92 dated August 01, 2017.

For **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

SHRUTI AGGARWAL
Digitally signed by SHRUTI AGGARWAL
Date: 2022.12.28 10:21:53 +05'30'

_____
Authorised Signatory

Name: Shruti Aggarwal
Title: Director
Date: 28th December, 2022

SECTION 10: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Addressed to: **Northern Arc Capital Limited**
Serial No: AKAR/2022-23/621

FORM NO PAS-4 PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER ("PPOA")

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

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

ISSUE OF 300 (THREE-HUNDRED) RATED SENIOR, SECURED LISTED, TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKH ONLY) AND AN AGGREGATE FACE VALUE OF INR 30,00,00,000 (INDIAN RUPEES THIRTY CRORES) ON A PRIVATE PLACEMENT BASIS (THE "ISSUE").

both registered office and the corporate office:

Issuer / Company:	Akara Capital Advisors Private Limited (the "**Issuer**" or "**Company**" or " **Akara Capital** ")
Registered Office:	60, Third Floor, Arjun Nagar, Kotla Mubarak Pur, New Delhi - 110003, India
Corporate Office:	CRC-2, 1st Floor, Khasra No. 337, Mehrauli-Gurgaon Rd, Sultanpur, New Delhi, Delhi 110030
Telephone No.:	9643309883
Website:	www.stashfin.com
Fax:	NA
Contact Person:	Shruti Aggarwal
Email:	accounts@stashfin.com

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

11/02/2016

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

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

Branch details:

As of the date of this Placement Memorandum/PPOA, the Company has one branch.

The Company has its Corporate Office/Branch Office at CRC-2, 1st Floor, Khasra No. 337, Mehrauli-Gurgaon Rd, Sultanpur, New Delhi, Delhi 110030.

Subsidiary details:

As of the date of this Placement Memorandum/PPOA, the Company does not have any subsidiaries.

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

S. No.	Name	Designation	Profile
1.	Tushar Aggarwal	Managing Director	Over 15 years of work experience in Investment Banking and Private Equity in India and United States. Previous work experience at Goldman Sachs, Lehman Brothers and General Atlantic and Everstone. CFA Charter holder. Graduate of Wharton Business School and Stony Brook University.
2.	Shruti Aggarwal	Director	Over 15 years of experience in financial services and entrepreneurship. Previous work experience in Investment Banking with Merrill Lynch in New York and PWC in India. Graduate of Columbia University and SRCC.
3.	Radhakrishnan Ramchandra Iyer	Independent Director	Almost four decades of Banking Experience.
4.	Vijuy Ronjan	Independent Director	35 years of banking experience in the Indian banking industry.
5.	Vijay Jasuja	Independent Director	40 years of BFSI experience in leadership positions across Indian and overseas market.

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

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

2. MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of this Placement Memorandum.

3. RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of this Placement Memorandum.

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

(i) Statutory Dues: Nil

(ii) Debentures and interest thereon: Nil

(iii) Deposits and interest thereon: Nil

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

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

Name: Varun Chhabra

Designation: Nodal Officer

Address: CRC-2, 1st Floor, Khasra No. 337, Mehrauli-Gurgaon Rd, Sultanpur, New Delhi, Delhi 110030

Phone No.: 9643309883

Email: varun.chhabra@stashfin.com

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

Nil

7. Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to **CHAPTER A** below.
Date of passing of Board Resolution	Board resolution dated 17th November, 2022.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolutions under Section 42 of the Companies Act, 2013 dated 24th November, 2022 2022 and under Section 180(1)(c) of the Companies Act, 2013 dated 24th November, 2022.
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	300 (three hundred) fully paid, senior, secured, rated, listed, non-convertible debentures of the nominal value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each, aggregating up to INR 30,00,00,000/- (Indian Rupees Thirty Crores Only) on a private placement basis (the "**Issue**").
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture
Name and address of the valuer who performed valuation of the security	Not Applicable as the Debentures are being offered at face value of INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture

offered, and basis on which the price has been arrived at along with report of the registered valuer	
Relevant date with reference to which the price has been arrived at [Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held]	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 10,00,000 (Indian Rupees Ten Lakh).
The class or classes of persons to whom the allotment is proposed to be made	Please refer to '*Eligible Investors*' under Section 8.14 of the Placement Memorandum.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	Not applicable.
The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on December 28th, 2022 ("**Deemed Date of Allotment**"), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures ("**Debenture Holders**") within 2 (two) Business Days from the Deemed Date of Allotment, each in accordance with the debenture trust deed ("**DTD**") to be entered into between the Company and the debenture trustee ("**Debenture Trustee**"). In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 (sixty) days from the date of receipt of application money, as prescribed under the Companies Act, 2013.
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	Not applicable.
The change in control, if any, in the company that would occur consequent to the private placement	No change in control would occur consequent to this private placement as the Debentures are non-convertible debt instruments.
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	Allotment on preferential basis/private placement/rights issue has already been made to 1 persons during financial year 2022-2023. Please refer to CHAPTER D
The justification for the allotment proposed to be made for consideration other than cash together	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 10,00,000 (Indian Rupees Ten Lakh).

<table>
<tr><td>with valuation report of the registered valuer</td><td></td></tr>
<tr><td>Amount, which the Company intends to raise by way of proposed offer of securities</td><td>Up to INR 30,00,00,000 (Indian Rupees Thirty Crores Only)</td></tr>
<tr><td>Terms of raising of securities:</td><td>
<table>
<tr><td>Duration, if applicable:</td><td>18 (Eighteen) months from the Deemed Date of Allotment. The proposed interest payment and redemption schedules are set out in Annexure VI (Illustration of Bond Cash Flows) of this Placement Memorandum.</td></tr>
<tr><td>Rate of Interest or Coupon:</td><td>Fixed monthly coupon at 11.75% (Eleven decimal Seven Five per cent) per annum gross of applicable tax
Please refer to the row titled ‘Coupon Rate’ in Section 5.35 (Issue Details) of the Placement Memorandum.</td></tr>
<tr><td>Mode of Payment</td><td>Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer. wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 8.9 of this Placement Memorandum.</td></tr>
<tr><td>Mode of Repayment</td><td>cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer</td></tr>
</table>
</td></tr>
<tr><td>Proposed time schedule for which the Issue/Offer Letter is valid</td><td>Issue Open Date: 28th December, 2022
Issue Closing Date: 28th December, 2022
Pay-in Date: 28th December, 2022
Deemed Date of Allotment: 28th December, 2022</td></tr>
<tr><td>Purpose and objects of the Issue/Offer</td><td>To raise debt to the extent up to INR 30,00,00,000 (Indian Rupees Thirty Crores Only) and 100% (One Hundred Percent) of the issue proceeds will be utilized only to originate loans satisfying the Portfolio Originating Criteria.</td></tr>
<tr><td>Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects</td><td>Nil.</td></tr>
<tr><td>Principal terms of assets charged as security, if applicable</td><td>Please refer section named "Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)" in Section 5.35 (Issue Details) of this Placement Memorandum.</td></tr>
<tr><td>The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations</td><td>NIL</td></tr>
<tr><td colspan="2">The pre-issue and post-issue shareholding pattern of the Company in the following format:</td></tr>
</table>

S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of shares held	Percentage (%) of shareholding
A	*Promoters' holding*				
	Indian				
1	Individual	100	0.01%	100	0.01%
	Bodies Corporate	NIL	NIL	NIL	NIL
	Sub-total				
2	Foreign promoters	237835313	99.99%	237835313	99.99%
	Sub-total *(A)*	237835413	100%	237835413	100%
B	*Non-promoters' holding*				
1	Institutional Investors	NIL	NIL	NIL	NIL
2	Non-Institutional Investors	NIL	NIL	NIL	NIL
	Private Corporate Bodies	NIL	NIL	NIL	NIL
	Directors and relatives	NIL	NIL	NIL	NIL
	Indian public	NIL	NIL	NIL	NIL
	Others (including Non-resident Indians)	NIL	NIL	NIL	NIL
	Sub-total *(B)*	NIL	NIL	NIL	NIL
	GRAND TOTAL	237835413	NIL	237835413	NIL

8. Mode of payment for subscription:

Cheque

Demand Draft

Other Banking Channels

9. Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or	Nil

<table>
<tr><td>statutory authority upon conclusion of such litigation or legal action shall be disclosed</td><td></td></tr>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years)</td><td>
<table>
<tr><th>Director</th><th>Fiscal FY 22-23 (Q2) (Current Year)</th><th>Fiscal FY 21-22</th><th>Fiscal FY 20-21</th><th>Fiscal FY 19-20</th></tr>
<tr><td>Shruti Aggarwal</td><td>0.17 crore</td><td>0.47 Crore</td><td>1.32 Crore</td><td>0.11 Crore</td></tr>
<tr><td>Satish Chandra Sinha</td><td>0.015 crore</td><td>0.075 Crore</td><td>0.04 Crore</td><td>0.10 Crore</td></tr>
<tr><td>Radhakrishnan Ramchandra Iyer</td><td>0.0225 crore</td><td>0.075 Crore</td><td>0.01 Crore</td><td>NIL</td></tr>
<tr><td>Vijuy Ronjan</td><td>0.0225 crore</td><td>NIL</td><td>NIL</td><td>NIL</td></tr>
<tr><td>Vijay Jasuja</td><td>0.0075 crore</td><td></td><td></td><td></td></tr>
</table>
</td></tr>
<tr><td>Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided</td><td>Please refer to CHAPTER C below</td></tr>
<tr><td>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark</td><td>Nil</td></tr>
<tr><td>Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were</td><td>Nil</td></tr>
</table>

any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	Nil

10. Financial Position of the Company:

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

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	<table><tr><th>Share Capital</th><th>Aggregate Nominal Value</th></tr><tr><td>Authorised</td><td></td></tr><tr><td>Authorised Capital</td><td>Rs. 400 Cr</td></tr><tr><td>EQUITY SHARE CAPITAL</td><td></td></tr><tr><td>40 Crore Equity Shares of Rs. 10/-each</td><td>Rs. 400 Cr</td></tr><tr><td>Preference Share Capital</td><td></td></tr><tr><td>NIL</td><td>Rs. NIL</td></tr><tr><td>TOTAL</td><td>Rs. NIL</td></tr><tr><td>Issued, Subscribed and Paid-up Equity Capital</td><td></td></tr><tr><td>237835413 Equity Shares of Rs. 10/-each</td><td>Rs. 237.83 Cr</td></tr><tr><td>Issued, Subscribed and Paid-up Preference Share Capital</td><td></td></tr><tr><td>NIL</td><td>Rs. NIL</td></tr><tr><td>TOTAL</td><td>Rs. 237.83 Cr</td></tr></table>
Size of the Present Offer	INR 30,00,00,000 (Indian Rupees Thirty Crore).
Paid-up Capital: **a. After the offer:** **b. After the conversion of convertible instruments (if applicable)**	 237.83 Crore Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
Share Premium Account: **a. Before the offer:** **b. After the offer:**	 Rs. 72.79 Crore Rs. 72.79 Crore
Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:	

S. No.	Names of Allottees	Date of Allotment	No. of Shares allotted	Form of Consideration	Price per share in Rs.	Face Value	Premium	Total Consideration
1	Morus Technologies Pte Ltd.	08th September, 2020	1,55,67,323	Cash	13	10	3	202375216.96
2	Morus Technologies Pte Ltd.	03rd February, 2021	1,11,94,118	Cash	13	10	3	145523545.50
3	Morus Technologies Pte Ltd.	21st August, 2021	71,47,944	Cash	13	10	3	92923276.50
4	Morus Technologies Pte Ltd.	24th September, 2021	2,26,13,009	Cash	13	10	3	293969126
5	Morus Technologies Pte Ltd.	29th September, 2021	56,96,039	Cash	13	10	3	74048519.00
6	Morus Technologies Pte Ltd.	22nd October, 2021	1,16,19,883	Cash	13	10	3	151058489.40
7	Morus Technologies Pte Ltd.	02nd November, 2021	1,72,56,962	Cash	13	10	3	224340513.10
8	Morus Technologies Pte Ltd.	25th November, 2021	1,14,37,463	Cash	13	10	3	148687026.20
9	Morus Technologies Pte Ltd.	07th December, 2021	4323923	Cash	13	10	3	56211001
10	Morus Technologies Pte Ltd.	23rd December, 2021	2908729	Cash	13	10	3	37813487.40
11	Morus Technologies Pte Ltd.	25th January,2022	14149931	Cash	13	10	3	183949112.60
12	Morus Technologies Pte Ltd.	11th February, 2022	20104270	Cash	13	10	3	261355518.60
13	Morus Technologies Pte Ltd.	24th February, 2022	17325922	Cash	13	10	3	225236993
14	Morus Technologies Pte Ltd.	22nd March, 2022	17537341	Cash	13	10	3	227985440.20
15	Morus Technologies Pte Ltd	11th May, 2022	58,66,805	Cash	13	10	3	76268474.60

16	Morus Technologies Pte Ltd	27th May, 2022	59,66,034	Cash	13	10	3	77558448.80
17	Morus Technologies Pte Ltd	20th June, 2022	592	Cash	13	10	3	7696.75
18	Morus Technologies Pte Ltd	03rd August, 2022	1,48,11,463	Cash	16	10	6	236983420.10

<table>
<tr><td>The number and price at which each of allotments were made by the Company in the last 1 (one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other than cash and details of the consideration in each case</td><td>Nil</td></tr>
<tr><td>Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter</td><td>
<table>
<tr><th>Year</th><th>Fiscal FY 21-22</th><th>Fiscal FY 20-21</th><th>Fiscal FY 19-20</th><th>Fiscal FY 18-19</th></tr>
<tr><td>Profit before tax</td><td>5.50 Crores</td><td>2.75 Crores</td><td>1.18 Crores</td><td>0.36 Crores</td></tr>
<tr><td>Profit after tax</td><td>4.32 Crores</td><td>1.84 Crores</td><td>0.84 Crores</td><td>0.25 Crores</td></tr>
</table>
</td></tr>
<tr><td>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)</td><td>
<table>
<tr><th>Year</th><th>Fiscal[FY 22-23 Q]</th><th>Fiscal[FY 21-22</th><th>Fiscal FY 20-21</th><th>Fiscal FY 19-20</th></tr>
<tr><td>Dividend Declared</td><td>NIL</td><td>NIL</td><td>NIL</td><td>NIL</td></tr>
<tr><td>Interest Coverage Ratio</td><td>1.56</td><td>1.25</td><td>1.63</td><td>1.27</td></tr>
</table>
</td></tr>
<tr><td>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter</td><td>Please refer CHAPTER A to this Private Placement Offer cum Application Letter.</td></tr>
<tr><td>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter</td><td>Please refer CHAPTER B to this Private Placement Offer cum Application Letter.</td></tr>
<tr><td>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company</td><td>Nil</td></tr>
</table>

PART B

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

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

_____
Signature **of the Subscriber**

11. DECLARATION (To be provided by the Directors)

A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made hereunder;

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

C. the monies received under the offer shall be used only for the purposes and objects indicated in this private placement offer cum application letter;

I am authorized by the Board of Directors of the Company *vide* resolution number 12 dated 24th November, 2022 to sign this private placement offer cum application letter and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this private placement offer cum application letter and matters incidental thereto have been complied with. Whatever is stated in this private placement offer cum application letter and in the attachments thereto is true, correct and complete and no information material to the subject matter of this private placement offer cum application letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

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

For **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

SHRUTI AGGARWAL Digitally signed by SHRUTI AGGARWAL Date: 2022.12.28 10:24:42 +05'30'

_____
Authorised Signatory
Name: Shruti Aggarwal
Title: Director

Date: 28th December, 2022

Enclosed

Chapter A - A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter

Chapter B - Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter

Chapter C - Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided

Chapter D - The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price

Optional Attachments, if any

CHAPTER A: FINANCIAL POSITION OF THE COMPANY AS IN THE 3 (THREE) AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Audited Financials for FY 2019-2020, FY 2020-2021and FY 2021-2022 and half year ended 30th September 2022 are attached separately to this Placement Memorandum.

Please refer to Annexure V of the Placement Memorandum

CHAPTER B: **AUDITED CASH FLOW STATEMENT FOR THE 3 (THREE) YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER**

Audited Financials for FY 2019-2020, FY 2020-2021and FY 2021-2022 and half year ended 30th September 2022 are attached separately to this Placement Memorandum.

Please refer to Annexure V of the Placement Memorandum

CHAPTER C- RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE

Audited Financials for FY 2019-2020, FY 2020-2021and FY 2021-2022 and half year ended 30th September 2022 are attached separately to this Placement Memorandum

Please refer to Annexure V of the Placement Memorandum

CHAPTER D: THE NUMBER OF PERSONS TO WHOM ALLOTMENT ON PREFERENTIAL BASIS / PRIVATE PLACEMENT / RIGHTS ISSUE HAS ALREADY BEEN MADE DURING THE YEAR, IN TERMS OF SECURITIES AS WELL AS PRICE

Allotment on preferential basis/private placement/rights issue has already been made to one person during financial year 2022-2023.

S. No.	Date of Allotment	Face Value (In Rs.)	Type of Issuance	Issue Price (Per Security) (In Rs.)	No of Securities allotted	Security
1	11th May, 2022	10	Rights Issue	13	58,66,805	Equity
2	27th May, 2022	10	Rights Issue	13	59,66,034	Equity
3	20th June, 2022	10	Rights Issue	13	592	Equity
4	03rd August, 2022	10	Rights Issue	16	1,48,11,463	Equity
5	14th October, 2022	1,00,000	Private Placement	1,00,000	2,700	Non-Convertible Debentures
6	01st November, 2022	10,000	Private Placement	10,000	30,000	Non-Convertible Debentures

SECTION 11: DECLARATION BY THE DIRECTORS

Each of the directors of the Company hereby confirm and declare that:

A. the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

B. the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, if applicable, is guaranteed by the Central Government;

C. the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Memorandum; and

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

E. It is hereby declared that this Placement Memorandum contains full disclosures in accordance with the NCS Regulations, as amended from time to time and the Companies Act and the rules made thereunder.

F. The Issuer accepts no responsibility for the statements made otherwise than in this Placement Memorandum or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

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

Confidentiality

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

I am authorized by the Board of Directors of the Company vide resolution number 12 dated 24th November, 2022 sign this Placement Memorandum and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this Placement Memorandum and matters incidental thereto have been complied with.

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

For **AKARA CAPITAL ADVISORS PRIVATE LIMITED**

SHRUTI AGGARWAL
Digitally signed by SHRUTI AGGARWAL
Date: 2022.12.28 10:42:16 +05'30'

_____

Authorised Signatory
Name: Shruti Aggarwal
Title: Director

Date: 28th December, 2022

ANNEXURE I: TERM SHEET

As provided in Section 5.35 above.

INDICATIVE TERM SHEET

The terms and conditions given below are indicative only and are not exhaustive and subject to change.

PARTIES INVOLVED IN THE ISSUE	
Issuer / Company	Akara Capital Advisors Private Limited ("Stashfin")
Debenture Trustee	MITCON Trusteeship Services Limited
Subscriber(s)/investor	Northern Arc Capital Limited
Depository	NSDL and CDSL
Registrar and transfer agent	NSDL and CDSL
Rating Agency	ICRA Limited
Structurer and Arranger	Northern Arc Capital Limited
Legal Counsel	Verist Law
THIRD PARTY OBLIGORS	
Guarantor(s)	None
Credit Enhancer(s)	None
Other obligator(s)	None
DETAILS OF THE INSTRUMENT	
Type of instrument	Non-convertible debentures
Nature of instrument	Rated Unsubordinated Secured Listed Transferable Redeemable Non-convertible debentures **("Debentures")**
Ranking	Unsubordinated
Security requirements	Debentures shall be secured as per the terms and conditions stipulated under the heading 'Security Creation' hereunder.
Listing requirements	The Debentures shall be listed on the Wholesale Debt Market segment of the [NSE / BSE] within a period of 4 (Four) trading days from the Issue closing date. In the event that: (i) the Debentures are not listed on the [NSE / BSE] within a period of 4 (Four) trading days from the Issue closing date; and/ or (ii) the debentures are delisted for a continuous period of 1 month, the Company shall pay default interest calculated at the rate of 1% (One Percent) per annum on the outstanding principal amount of the Debentures over and above the Coupon Rate for the period that the Debentures are unlisted or delisted

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent you this document in our capacity as a potential counterparty acting at arm's length. We are not acting as your financial adviser or in a fiduciary capacity in respect of this proposed transaction or any other transaction with you unless otherwise expressly agreed by us in writing. Before entering into any transaction you should take steps to ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You should also consider seeking advice from your own advisers in making this assessment.

KALYANAS UNDARAM Digitally signed by KALYANASUNDARAM Date: 2022.12.22 11:17:12 +05'30'

SHRUTI AGGARWAL Digitally signed by SHRUTI AGGARWAL Date: 2022.12.21 17:56:07 +05'30'

Public & Non Confidential Information

<table>
<tr><td>Rating</td><td>BBB (Stable)</td></tr>
<tr><td colspan="2">ISSUE DETAILS</td></tr>
<tr><td>Mode of Issue</td><td>Private Placement</td></tr>
<tr><td>Form of issue</td><td>Debentures will be issued in digital form.</td></tr>
<tr><td>Issue size</td><td>INR. 30,00,00,000 /- (Indian Rupees Thirty Crores only)</td></tr>
<tr><td>Tenor</td><td>18 months (Eighteen months).</td></tr>
<tr><td>Principal repayment</td><td>Quarterly Repayment, basis as per Annexure 1.</td></tr>
<tr><td>Face value</td><td>INR. 10,00,000 /- (Indian Rupees Ten Lakh only)</td></tr>
<tr><td>Issue price</td><td>Debentures will be issued at par.</td></tr>
<tr><td>Issue Schedule</td><td><table>
<tr><td>Issue Opening Date</td><td>December 27, 2022</td></tr>
<tr><td>Issue Payin Date</td><td>December 28, 2022</td></tr>
<tr><td>Issue Closing Date</td><td>December 28, 2022</td></tr>
<tr><td>Deemed Date of Allotment</td><td>December 28, 2022</td></tr>
</table></td></tr>
<tr><td>Objects of the issue</td><td>Issuer shall utilise the entire proceeds of the Debentures only to originate personal loans.</td></tr>
<tr><td>Utilization of issue proceeds</td><td>The Company shall utilise the amounts received from the subscription of the Debentures for the aforesaid objects of the issue. No part of the proceeds from the Issue will be used towards:
i. any capital market instrument such as equity and equity linked instruments or any other capital market related activities;
ii. any speculative purposes;
iii. investment in the real estate sector; or
iv. in contravention of any applicable law.</td></tr>
<tr><td colspan="2">REDEMPTION</td></tr>
<tr><td>Redemption Amount</td><td>Each Debenture shall be redeemed at par.</td></tr>
<tr><td>Scheduled Redemption</td><td>Debentures shall be redeemed on a pro rata basis as set out in Schedule 1 (Redemption Schedule) hereto and shall be fully redeemed by the Final Redemption Date.</td></tr>
<tr><td>Final Redemption Date</td><td>June 28, 2024</td></tr>
<tr><td>Early Redemption</td><td>Not applicable.</td></tr>
</table>

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Put Option	Not applicable.
Call Option	Not applicable.
Early Redemption Premium	Not applicable.
COUPON PAYMENT	
Coupon Type	Fixed
Coupon Rate	11.75% (Eleven decimal Seven Five per cent) per annum gross of applicable tax payable at such frequency as set out below against the heading 'Coupon Payment Frequency' and on such dates as set out below against the heading 'Coupon Payment Payment Dates'.
Coupon Payment Frequency	Monthly
Coupon Payment Dates	As set out in **Schedule 1**
Step-up Coupon	Not Applicable.
Step-down Coupon	Not Applicable.
Default interest	Each of the following additional rate of interest, if applicable, shall be the Default Interest applicable on the entire NCD outstanding. Provided that the Default Interest shall only be payable on the occurrence of the following events : (i) **Payment Default:** Default interest at 2% (Two percent) per annum over the Coupon Rate. (ii) **Breach of Covenants:** Default interest at 2% (Two percent) per annum over the Coupon Rate. The aforesaid Default interest will be accrued from the date of such breach of covenants but be payable only if after the following process is completed: • Issuer has sought waiver within 7 (seven) business days of breach of covenants and the Debenture Holder(s) is evaluating the same and has not yet rejected such request for waiver. Upon rejection of waiver by the Debenture Holder, the Default interest will be payable from the date of such default, till such default is rectified by the Issuer. (iii) **Failure to Create and Perfect Security:** If the Issuer fails to create and perfect security as stipulated within 30 (Thirty) days of Deemed Date of Allotment, the Issuer will pay additional interest at 2% (Two percent) per annum over the Coupon Rate until the security is created and perfected. (iv) **Failure to list**
CONVENTIONS	

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Day Count Basis	Actual/Actual
Business Day	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Mumbai;
Date Convention	i. If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day; ii. If the date of payment of any redemption amount falls on a day that is not a Business Day, such payment of instalment shall be made on the immediately preceding Business Day; and iii. If the Final Redemption Date or the Early Redemption Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of interest and redemption amount shall be made on the immediately preceding Business Day.
SECURITY CREATION	
Hypothecation	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on receivables **("Hypothecated Receivables")** created pursuant to the agreement of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Receivables shall consist of loans originated from the proceeds of the issue within the Portfolio Origination Period, and at all times shall be equal to the value of the outstanding principal amount of the Debentures. Receivables from related parties shall not be included in Hypothecated Receivables. The Issuer undertakes: • to maintain the value of security at all times equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables ("Security Cover"); • to pay a penal interest of 2.0% (Two Percent) p.a. in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Receivables; • to provide on a monthly basis, book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Hypothecated Receivables Report") • Company to provide Overall Asset Cover Certificate which specifies that all the Hypothecated Receivables are sufficient

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	to meet all the liabilities secured by way of a first ranking and exclusive charge over the Hypothecated Receivables. • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Receivables is equal to 1.10 (One decimal point one zero) time or 110.0% (one hundred and ten percent) the aggregate amount of principal outstanding and interest outstanding of the NCDs where at least 1.10 (One decimal point one zero) time or 110.0% (one hundred and ten percent) of the security cover is from principal receivables. • to replace/top up any Hypothecated Receivables that become overdue for more than 30 days with current receivables in terms of the hypothecation agreement. Overdue Loans offered as security shall not constitute more than 10% of the Portfolio. Eligibility Criteria for the Hypothecated Receivables: • the receivables are current at the time of selection and have not been terminated or pre-paid. • the receivables have not been restructured or rescheduled. • all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India. • Every loan originated from the issue proceeds should be originated by the Issuer and not loans purchased from a third party. • Loans constituting the Portfolio must be loans directly originated by the Company and not loans purchased from a third party. • Loans originated from the portfolio should not be provided to individuals who have had a history of late payments or overdues. • Loans constituting the Hypothecated Portfolio shall include loans given to salaried customers.. • All customer protection regulations prescribed by the RBI must be complied with
Portfolio Origination Period	45 days
Security Cover	1.1 X (One point One Zero times)
Pledge	None.
Mortgage	None
OTHER COVENANTS	
Debenture Redemption Reserve	If so applicable for the Issue, the Issuer shall create debenture redemption reserve in accordance with the Companies Act, 2013 (and Rules thereunder) and in terms thereof earmark an amount not less than 15% of the amount maturing during the year ending on the 31st day of March of the next year by way of investment and deposits in specified securities on or before the 30th day of April in each year.

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Related Party Transactions	Without prior written intimation to the Debenture Holders, the Issuer shall not enter into or perform any transaction(s) with a related party except for transactions with EQX Analytics Pvt. Ltd. and Morus Technologies Pte. Ltd. in the ordinary course of business. Without prejudice to the foregoing, the Issuer shall not without the prior written consent of the Debenture Holders (i) enter into any transaction(s) with a related party whereby the overall outstanding amount owed to the Issuer under all such transactions exceeds 10.00% (Ten Point Zero Zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions with a related party during any financial year exceeds 10.00% (Ten Point Zero Zero percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party. The Debenture Holders shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).
Affirmative Covenants	1. To comply with corporate governance, fair practices code prescribed by the RBI 2. Notification of any potential Event of Default or Event of Default; 3. Obtain, comply with and maintain all licenses / authorizations 4. Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation) 5. Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes 6. Permit visits and inspection of books of records, documents and accounts to debenture holders as and when required by them. 7. Comply with any monitoring and/or servicing requests from Debenture Holders And as set out in greater detail in the Debenture Trust Deed
Negative Covenants	1) Company shall not, without the prior written consent of the Debenture Trustee, redeem, purchase, buyback, defease, retire, return or repay any of its equity share capital or resolve to do so. 2) Company shall not dispose of its assets or compromise with any of its creditors without the prior written consent of the Debenture Trustee, except in the ordinary course of and pursuant to the reasonable requirements of the Company's business and upon fair and reasonable terms. 3) Company agrees to declare dividends only out of the profits relating to that year and after making all due and necessary provisions, and provided further that there have been no defaults in repayments under the Debentures. In all other cases, prior written consent of the Debenture Trustee shall be obtained before declaring dividends. 4) Company shall not without the prior written consent of the Debenture Trustee effect any change in its Memorandum or Articles of Association other than in ordinary course of business. Any new

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	equity raising which results in change in the existing Articles would be communicated to Debenture Holders and consent would be sought. If there is no response within 10 calendar days, it will be deemed as consent given by Debenture Holders 5) Issuer shall not without the prior written consent of the Debenture Trustee enter into or perform any transaction other than in its ordinary course of business. 6) Issuer shall not, without prior written consent by the Debenture Trustee : • Enter into any transaction(s) (including but not limited to loans or advances and investment by way of share capital) other than in its ordinary course of business. • Provide any guarantee other than in the ordinary course of business or FLDG's for co-lending partnerships or credit enhancement for securitizations 7) Issuer shall not dispose of its assets or compromise with any of its creditors without the prior written consent of the Debenture Trustee , except in the ordinary course of and pursuant to the reasonable requirements of the Issuer's business and upon fair and reasonable terms. 8) Borrower shall ensure compliance with RBI digital lending guidelines (as applicable from time to time) on a continuing basis till complete redemption of the Debentures.
Events of Default	Following Events would be construed as Events of Default - 1. Non-payment of any of the dues under this Issuance; 2. Default or trigger of event of default on any other indebtedness (cross default) 3. Misrepresentation or misleading information in any of the Transaction Documents 4. Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Company; 5. Event of Insolvency, winding up, liquidation 6. A receiver or liquidator, provisional liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Company or any of its assets is appointed or allowed to be appointed of all or any part of the undertaking of the Company; 7. If an attachment or expropriation or restraint of act of sequestration is levied on the Hypothecated Assets or any part thereof; 8. Creditors' processes initiated against the company for an amount exceeding 50 Lakhs 9. Repudiation of Transaction Documents

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	10. Cessation of business 11. Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer 12. The Company has taken or suffered to be taken any action for reduction of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Holders; 13. Promoters or key management personnel of the Company being declared willful defaulter. 14. The promoter/s and/or the directors of the Company are convicted of criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery; 15. Erosion of 50% or more of the Company's net worth starting December 31, 2022; 16. All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalized, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority; 17. Occurrence of a Material Adverse Effect (defined below) as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders; 18. Change in management control (Promoters to retain 51% shareholding during the tenor of the NCD issue) without prior written consent from the majority Debenture Holders. Any new equity raising which results in change in the existing shareholding pattern would be communicated to Debenture Holders and consent would be sought. If there is no response within 10 calendar days, it will be deemed as consent given by Debenture Holders. Any change in board composition shall be imtimated to Debenture Trustee/Debenture Holders; 19. Any Transaction Document once executed and delivered, ceases to be in full force or becomes unlawful, invalid and unenforceable; 20. A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days; 21. Breach of the following covenants:

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	Affirmative Covenants – (i) Preserve corporate status; authorizations, (ii) Payment of Stamp Duty, (iii) Handling Investor grievances, (iv) Compliance with Investor Education and Protection Fund requirements, (v) Regulatory Filings, (vi) Regulatory requirements in case of a Foreign Investor, (vii) Maintenance of Books of Account and (viii) Corporate Governance; Where such breach is not cured within 30 (thirty) calendar days. a) Negative Covenants - (i) Change of business,and (ii) Dividend distribution in case of default` b) Financial Covenants where such breach is not cured within 30 (Thirty) calendar days. Upon occurrence of any of the aforesaid event of default, the Debenture Trustee may by a notice in writing to the Company initiate actions as may be contemplated in the Transaction Documents including the following: (a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents, (b) Declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable immediately 'Material Adverse Effect' shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Issuer where net worth erodes by more than 30%; (ii) the ability of the Issuer to perform their obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Reporting Covenants	a) QUARTERLY REPORTS -within 45 (Forty Five) Calendar days after the end of each calendar quarter: (i) Information on financials, operations, portfolio growth & asset quality, repossessed assets, funding/borrower profile in formats acceptable to the Investor (ii) List of Board of Directors (iii) Shareholding Pattern (iv) Related Party Transaction if any. (v) Financial covenant compliance certificate (vi) Copy of returns filed with RBI

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	(vii) Issuer shall provide product-wise details of monthly write offs on its own books and guarantee payments made by EQX Analytics Private Limited to Co-Lending partners on a quarterly basis in the format as specified by the Debenture Holders. (viii) Issuer shall provide details of a) operational information, b) portfolio cuts, c) monthly disbursements d) monthly dpd statement, e) changes in Board & management and f) changes in shareholding pattern on a quarterly basis in the format as specified by the Lender within 45 days from the end of each quarter. Borrower shall provide details required to check covenant compliance. (ix) Issuer shall provide details of transactions with related parties and balances outstanding on a quarterly basis in theformat as specified by the Lender. (x) Issuer shall provide the static pool analysis and vintage curve data of the Portfolio and Gross Loan Portfolio (xi) Issuer shall share information about facilities sanctioned to it by other lenders including sanction letters from such other lenders every month. (xii) Issuer shall forthwith provide written notice of any material event adversely impacting its business. (xiii) Issuer shall forthwith provide written notice of occurrence or likely occurrence of any Event of Default. (xiv) Issuer shall be required to pay a penalty of INR 6,000/- for each day of delay in the event of non-adherence to the above reporting undertaking on a timely basis. (xv) Information on: • New products introduced, or change in existing product features • New business correspondent relationships or discontinuance of existing relationships • Geographical expansion to any new state • Material changes to the IT / MIS systems • Change in credit bureaus used • Revision in the Business Plan • Changes in the Accounting Policy • Any fraud amounting to more than 1% of Gross Loan Portfolio b) ANNUAL REPORTS – within 90 (Ninety) Calendar days after the end of each fiscal year (i) Audited financials – both Standalone and Consolidated of the group. Issuer shall provide audited financial statements at the end of each financial year within 90 days from the end of each financial year.Audited Consolidated Financials and Audited

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	Standalone Financials of Morus Technologies Pte Ltd shall be provided withing 180 days from the end of each fiscal year. (ii) Issuer shall provide quarterly provisional financial statements to the Investor within 30 days from the end of each quarter. (iii) A certificate from the Director/CFO confirming that there is no Potential Default or Event of Default; (iv) Copy of all annual information submitted to the RBI; and (v) corporate social responsibility report c) EVENT BASED REPORTS – within 5 business days of event occurring (i) Change in Board of Directors (ii) Change in the shareholding structure (iii) Change in the Senior Management officials (any CXO, or equivalent) (iv) Change in statutory auditors (v) Board approval of annual business plan (vi) Any fraud amounting to more than 1% of Gross Loan Portfolio (vii) Changes in accounting policy (viii) Change in credit bureaus used (ix) Change in the Constitutional Documents of the Company; (x) Material Adverse Effect. (xi) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect. (xii) Winding up proceedings (xiii) Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same. (xiv) Any prepayment or notice of any prepayment of any Indebtedness of the Issuer.
Financial Covenants	**Minimum capital ratio of Tier I Capital and Tier II Capital** to aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items shall not be less than 20.00% (Twenty Point Zero Zero percent) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher.For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Issuer on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

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	Maximum permissible ratio of Total Debt to Tangible Net worth shall be 3.00x (Three Point Zero Zero times). (Calculated on a consolidated basis) **Maximum permissible ratio of Net Non Performing Assets** to Gross Loan Portfolio shall be 5.00% (Five Point Zero Zero percent). Definition: **Tangible Networth** means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets. **Gross Loan Portfolio** means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book. **NBFC Master Directions** means the master directions issued by the RBI on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 or Non-Banking Financial Company Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as may be applicable for the Issuer (as amended or modified or restated from time to time). **Net Non Performing Assets** shall be calculated as gross non-performing assets less provisioning for non-performing assets. For the purpose of this definition, the terms 'non-performing assets' and 'gross non-performing assets' shall have the meanings stipulated by the RBI to such terms from time to time as may be applicable for the Issuer. **Tier I Capital** shall have the meaning given to it in the NBFC Master Directions. **Tier II Capital** shall have the meaning given to it in the NBFC Master Directions. The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants. All covenants would be tested on quarterly basis i.e. as on 31st March, 30th June, 30th September, 31st December every year, starting from December 2022, on consolidated and standalone balance sheet till the redemption of the NCDs. Without prejudice to its other rights under the Transaction Documents, Debenture Trustee reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount

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<table>
<tr><td></td><td>outstanding under the Debentures on the Company in the event of breach of any of the Financial Covenants ("Penalty for Breach"). In such an event, the Company shall pay the Penalty for Breach to the Debenture Trustee within 30 calendar days from the date of such breach

The Debenture Trustee and the Investors shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.</td></tr>
<tr><td></td><td>•</td></tr>
<tr><td colspan="2">Restrictions on Dilution of Stake by Key Shareholders</td></tr>
<tr><td colspan="2">Each of the persons mentioned below (collectively "Key Shareholders") shall not transfer or encumber the shares of the Issuer held by them respectively without the prior written consent of the Debenture Holders.
Issuer shall procure and furnish the Debenture Holders with undertaking(s) issued by the Key Shareholders to that effect as a condition precedent for subscribing to the Debentures.
Any change in the stake of the Key Shareholders in the Issuer below the existing level set out in the following table shall require prior written consent of the Debenture Holders.

<table>
<tr><th>Name</th><th>Type Of Shareholding</th><th>Existing % Stake</th></tr>
<tr><td>Morus Technologies Pte. Ltd</td><td>Ordinary Equity</td><td>99.99%</td></tr>
</table>
</td></tr>
<tr><td>Transaction documents</td><td>Debenture Trust Deed, Hypothecation Agreement, Hypothecation Confirmation Letter, Disclosure Documents, Resolutions, the letters issued by the Rating Agency and the Registrar and all other documents in relation to the issuance of the Debentures.

Disclosure Documents means collectively,
a. the debt disclosure document to be issued by the Issuer in terms of regulations of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (if applicable); and

b. private placement offer letter to be issued by the Issuer in terms of section 42 (Offer or invitation for subscription of securities on private placement) of the Companies Act, 2013.

Resolutions means collectively,
a. board resolution of the board of directors of the Company under Section 42 and other applicable provisions of the Companies Act, 2013 and Rules thereunder;

b. special resolution of the shareholders of the Company under the applicable provisions of the Companies Act, 2013 and Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014.</td></tr>
<tr><td>Other Costs & Conditions</td><td>The Issuer shall bear the costs and expenses incurred in connection with the transactions contemplated hereby including stamp duty and</td></tr>
</table>

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	registration fee (if applicable) on the Transaction Documents (and the Debentures), appointment of the Debenture trustee, legal advisors expenses and expenses incurred in the preparation for the Transaction Documents.
Governing Law and Jurisdiction	Indian Law with jurisdiction of the courts and tribunals of Chennai.

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Redemption Schedule

For Northern Arc Capital

Redemption Instalments	Redemption Date	Interest per Debenture (in INR)	Amount to be redeemed per Debenture (in INR)
1	28 January 2023	9,979	-
2	28 February 2023	9,979	-
3	28 March 2023	9,014	1,66,667
4	28 April 2023	8,316	-
5	28 May 2023	8,048	-
6	28 June 2023	8,316	1,66,667
7	28 July 2023	6,438	-
8	28 August 2023	6,653	-
9	28 September 2023	6,653	1,66,667
10	28 October 2023	4,829	-
11	28 November 2023	4,990	-
12	28 December 2023	4,829	1,66,667
13	28 January 2024	3,326	-
14	28 February 2024	3,326	-
15	28 March 2024	3,112	1,66,667
16	28 April 2024	1,663	-
17	28 May 2024	1,610	-
18	28 June 2024	1,663	1,66,667

KALYANASUNDARAM Digitally signed by KALYANASUNDARAM Date: 2022.12.22 11:18:21 +05'30'

SHRUTI AGGARWAL Digitally signed by SHRUTI AGGARWAL Date: 2022.12.21 17:56:35 +05'30'

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent you this document in our capacity as a potential counterparty acting at arm's length. We are not acting as your financial adviser or in a fiduciary capacity in respect of this proposed transaction or any other transaction with you unless otherwise expressly agreed by us in writing. Before entering into any transaction you should take steps to ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You should also consider seeking advice from your own advisers in making this assessment.

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

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ICRA Limited

Ref: ICRA/Akara Capital Advisors Private Limited/16122022/3

Date: December 16, 2022

Ms. Shruti Aggarwal
Director
Akara Capital Advisors Private Limited
CRC-2, 1st Floor, Khasra 337,
Mehrauli-Gurgaon Rd, Sultanpur
New Delhi, Delhi 110030

Dear Ma'am,

Re: ICRA Credit Rating for Rs. 370 crore Non-Convertible Debenture (NCD) Programme (yet to be placed: Rs. 253 crore; outstanding: Rs. 117 crore) of Akara Capital Advisors Private Limited (Instrument details in *Annexure*)

In terms of the Rating Agreement executed between Akara Capital Advisors Private Limited and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your NCD programme at **[ICRA]BBB** (pronounced as ICRA triple B). The outlook on the long-term rating is **Stable**. Instruments with this Rating indicate moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

In any of your publicity material or other document wherever you are using above rating, it should be stated as **[ICRA]BBB (Stable)**.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s)/investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

KARTHIK SRINIVASAN

Digitally signed by KARTHIK SRINIVASAN
Date: 2022.12.16 18:12:11 +05'30'

Karthik Srinivasan
Senior Vice President
karthiks@icraindia.com

Annexure: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current rating and Outlook
INE08XP07027	NCD	16-Mar-2022	14.55%	15-Mar-2024	20.00	[ICRA]BBB(Stable)
INE08XP07019	NCD	31-Mar-2022	13.17%	03-Jul-2023	40.00	[ICRA]BBB(Stable)
INE08XP07035	NCD	14-Oct-2022	13.05%	14-Apr-2024	27.00	[ICRA]BBB(Stable)
INE08XP07043	NCD	01-Nov-2022	11.04%	08-Nov-2023	30.00	[ICRA]BBB(Stable)
Yet to be placed	NCD	NA	NA	NA	253.00	[ICRA]BBB(Stable)

ICRA Limited

Ref: ICRA/Akara Capital Advisors Private Limited/22112022/1

Date: November 22, 2022

Ms. Shruti Aggarwal
Director
Akara Capital Advisors Private Limited
CRC-2, 1st Floor, Khasra 337,
Mehrauli-Gurgaon Rd, Sultanpur
New Delhi, Delhi 110030

Dear Ma'am,

Re: ICRA Credit Rating for Rs. 370 crore *(yet to be placed: Rs. 253 crore; outstanding: Rs. 117 crore)* Non-Convertible Debenture (NCD) Programme of Akara Capital Advisors Private Limited (Instrument details in *Annexure*)

Please refer to your request dated November 17, 2022 for revalidating the rating letter issued for the captioned programme.

We confirm that the [ICRA] BBB (pronounced as ICRA triple B) rating with a Stable outlook assigned to your captioned programme and last communicated to you vide our letter dated October 18, 2022 stands. Instruments with this Rating indicate moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letters (Ref: **ICRA/Akara Capital Advisors Private Limited/18102022/3** and **ICRA/Akara Capital Advisors Private Limited/18102022/4**) dated October 18, 2022.

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

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

With kind regards,

Yours sincerely,

For ICRA Limited

KARTHIK SRINIVASAN
Digitally signed by KARTHIK SRINIVASAN
Date: 2022.11.22 14:53:36 +05'30'

Karthik Srinivasan
Senior Vice President
karthiks@icraindia.com

Annexure: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current rating and Outlook
INE08XP07027	NCD	16-Mar-2022	14.55%	15-Mar-2024	20.00	[ICRA]BBB(Stable)
INE08XP07019	NCD	31-Mar-2022	13.17%	03-Jul-2023	40.00	[ICRA]BBB(Stable)
INE08XP07035	NCD	14-Oct-2022	13.05%	14-Apr-2024	27.00	[ICRA]BBB(Stable)
INE08XP07043	NCD	01-Nov-2022	11.04%	08-Nov-2023	30.00	[ICRA]BBB(Stable)
Yet to be placed	NCD	NA	NA	NA	253.00	[ICRA]BBB(Stable)

October 20, 2022

Akara Capital Advisors Private Limited: Ratings reaffirmed and rated amount enhanced

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based bank lines	75.00	75.00	[ICRA]BBB (Stable); reaffirmed
Commercial paper	20.00	80.00	[ICRA]A3+; assigned & reaffirmed
Non-convertible debentures	70.00	70.00	[ICRA]BBB (Stable); reaffirmed
Non-convertible debentures	-	300.00	ICRA]BBB (Stable); assigned
Total	**165.00**	**525.00**	

**Instrument details are provided in Annexure I*

Rationale

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

The ratings factor in the improvement in ACAPL's capitalisation profile with a consolidated net worth of Rs. 293.1 crore and a low gearing of 1.1 times as on June 30, 2022 (Rs. 278.7 crore and 1.26 times, respectively, as on March 31, 2022; Rs. 95.2 crore and 0.6 times, respectively, as on March 31, 2021). The gearing, adjusted for the first loss default guarantee (FLDG) commitments, stood at 1.27 times as on March 31, 2022. The improvement in the capitalisation was driven by a capital infusion of Rs. 197.6 crore in FY2022 and Rs. 15.4 crore in Q1 FY2023. This helped the company improve its scale of operations further with its assets under management (AUM) increasing to Rs. 533 crore as on June 30, 2022 (Rs. 92.0 crore as on March 31, 2021).

The ratings also factor in the improved visibility on capital support for ACAPL from the parent, MTFL, following the conversion of debt (preference shares/compulsory convertible debentures/optionally convertible debentures) amounting to ~Rs. 409 crore into equity in Q2 FY2023. With ACAPL and EQX being the sole investments of MTPL, ICRA believes that this equity will be available in entirety for ACAPL as growth capital. ICRA also notes the improvement in ACAPL's funding profile with the company raising external commercial borrowings (ECBs) from investors at relatively competitive rates and also diversifying the domestic lender base. ACAPL also has additional committed ECB lines, which would support the business growth, going forward. Notwithstanding this, given the high growth plans, the company would need to continuously expand the lender base, going forward as well. The ratings also consider ACAPL's granular retail portfolio, comprising small-ticket loans to individuals.

The ratings are, however, constrained by the subdued profitability indicators on a consolidated basis with the Group reporting net losses since inception due to its high operating and credit costs. Credit costs have remained elevated as the Group incurs 100% of the FLDG costs with its co-lending partners. At the same time, operating expenses (18.8% in relation to average assets for Q1 FY2023) have remained elevated despite the improvement in the scale as the Group is still in the expansion phase and has been investing in strengthening its teams and technology platforms. ICRA expects the profitability to improve, going forward, supported by some improvement in the net interest margins, lower credit costs and higher operating efficiency with economies of scale.

The ratings also factor in the inherent vulnerability associated with the Group's portfolio, given the unsecured nature of the loans. Nevertheless, the asset quality indicators have remained range-bound so far with 90+ days past due (dpd) of 3.9% as on June 30, 2022 and overall credit costs of 1.9% in relation to cumulative disbursements (since FY2019). Further, the regulatory

landscape with respect to fintech lenders is currently evolving; thus, the impact of regulations on the company's business operations would be a monitorable. Overall, ACAPL's ability to profitably scale up the business while maintaining prudent capitalisation and controlling the asset quality would be a key monitorable.

Key rating drivers and their description

Credit strengths

Adequate capitalisation profile for current scale of operations; committed capital support from parent – ACAPL's capitalisation profile is adequate for the current scale of operations with a consolidated net worth of Rs. 293.1 crore and a low gearing of 1.1 times as on June 30, 2022. The gearing, adjusted for FLDG commitments, stood at 1.27 times as on March 31, 2022. The company raised Rs. 197.6 crore in FY2022, Rs. 15.4 crore in Q1 FY2023 and another Rs. 28 crore in Q2 FY2023 from its parent. Regular capital infusions by the parent led to a comfortable gearing of 1.1 times as on June 30, 2022 (1.0 times for ACAPL (standalone) and capital-to-risk weighted assets ratio (CRAR) of 46.6% as on June 30, 2022). Further, there is improved visibility on subsequent capital support from the parent, MTFL, following the conversion of debt (preference shares/compulsory convertible debentures/optionally convertible debentures) amounting to ~Rs. 409 crore into equity in Q2 FY2023. With ACAPL and EQX being the sole investments of MTPL, ICRA believes that this equity will be available in entirety for ACAPL as growth capital. ICRA notes that the capital infusion would be made in tranches for efficient capital management.

However, the leverage is expected to always remain below 3 times. As a result, ACAPL would continue to need equity infusions from its parent over the medium term to maintain prudent capitalisation levels. Also, prudent capitalisation is one of the key mitigants against delinquencies and other credit risks associated with the Group's business. ICRA also notes that in addition to capital support, the investors have extended support to ACAPL in the form of ECBs with further commitment on this front as well, which would support the business growth going forward.

Granular retail portfolio – ACAPL's portfolio is granular, comprising small-ticket loans to individuals with a ticket size in the range of Rs. 1,000-Rs. 5 lakh. About 8% of the AUM comprised very small-ticket loans of less than Rs. 10,000 and the balance comprised loans of up to Rs. 5 lakh as on June 30, 2022. The short tenure of the loans (1-36 months) also provides support to the liquidity profile.

Credit challenges

Modest scale of operations; ability to raise funds in a timely manner critical for growth – ACAPL's AUM grew at a high rate of 352% to Rs. 514 crore as on March 31, 2022 from Rs. 92 crore as on March 31, 2021, albeit on a small base. The AUM grew further to Rs. 533 crore as on June 30, 2022. The high growth was supported by disbursements of Rs. 1,129 crore in FY2022 and Rs. 333 crore in Q1 FY2023 compared to Rs. 163 crore in FY2021. Though the company has a pan-India presence in terms of its borrowers, the scale of operations remains limited. This is also partly due to the short tenure of the loans and hence faster amortisation. ICRA believes achieving economies of scale is pivotal for the Group to attain net profitability. Hence, its ability to raise funds (both debt and equity) in a timely manner will be critical for growth.

Limited, albeit improving, financial flexibility – ACAPL's financial flexibility remains limited with high dependency on larger non-banking financial companies (NBFCs) for its funding needs. The average cost of funds remains high in the range of 10-15% with the average tenure of borrowing at ~17 months. In this regard, the committed ECB lines of ~Rs. 1,500 crore from its investors, of which Rs. 150 crore has already been disbursed, provides comfort. The infusion of the ECB lines in the borrowing mix is also expected to moderate the cost of borrowing to some extent, thereby improving the net interest margins. ICRA also notes the recent improvement in the company's domestic borrowing mix with lenders being added from the banking as well as non-banking sector.

Muted profitability on consolidated basis; operating efficiency expected to improve with scale – Though ACAPL has reported modest profitability over the last few fiscals (last three years' (FY2019-FY2022) average return on assets (RoA) of 0.9%) on a standalone basis, the profitability has remained muted on a consolidated basis with the Group reporting losses since inception

due to the high operating and credit costs. ACAPL reported a net loss of Rs. 14.0 crore in FY2022 on a consolidated basis compared with a net loss of Rs. 11.6 crore in FY2021. It reported a net loss of Rs. 1.9 crore in Q1 FY2023.

Credit costs have remained elevated due to the Group incurring 100% of the FLDG costs with its co-lending partners. Operating expenses (18.8% in relation to average assets for Q1 FY2023) have also remained elevated despite the improvement in the scale as the Group is still in the expansion phase and has been investing in strengthening its teams and technology platforms. ICRA expects the profitability to improve, going forward, supported by the improvement in the net interest margins, lower credit costs and higher operating efficiency with economies of scale, provided the company is able to maintain strict control over fresh slippages.

Improved asset quality indicators, though sustainability through economic cycles remains to be seen – ACAPL started operations in 2017 and witnessed a compound annual growth rate (CAGR) of ~63% in the last three years. With an average loan tenure of 14-15 months and a large portion of the loans being originated in the later part of FY2022 (disbursement of Rs. 1,129 crore in FY2022), portfolio seasoning remains low and the asset quality indicators are yet to be tested across economic cycles. The inherent riskiness in ACAPL's portfolio also remains high due to the unsecured nature of the loans.

The company's gross non-performing advances (GNPAs; recognised on 90+ dpd basis) stood at 3.8% as on August 31, 2022. The GNPA%, including write-offs/FLDG expenses, on a consolidated basis remained high at 2.0% of AUM in FY2022 (6.7% in FY2021). Moreover, despite the relatively low seasoning, the 90+ dpd delinquencies remained moderate at 3.9% as on June 30, 2022, but lower than 10.1% as on March 31, 2021, which was largely driven by the effects of the Covid-19 pandemic. The 90+ dpd stood at 1.0%, basis cumulative disbursements (since FY2019), as on June 30, 2022 while the overall credit costs, in relation to cumulative disbursements, stood at 1.9% (since FY2019). ICRA notes that ACAPL has developed an adequate risk management system to detect fraud and its ability to control slippages, manage fraud risk and maintain good credit underwriting standards would be a key rating monitorable, going forward.

Liquidity position: Adequate

ACAPL's liquidity position is adequate with no negative cumulative mismatches in the asset-liability management (ALM) statement as on June 30, 2022 owing to the short tenure of the loan book and sufficient on-balance sheet liquidity. The company's unencumbered cash and bank balance stood at Rs. 13 crore. As on June 30, 2022, the expected inflows from advances in the next 1 year stood at Rs. 365 crore compared to debt repayments of only Rs. 267 crore during this period.

MTPL had ~USD 52 million cash on its balance sheet as on June 30, 2022 on a provisional basis, providing further liquidity support to ACAPL at the parent level.

Rating sensitivities

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

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

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's rating methodology for non-banking finance companies ICRA's rating approach – Consolidation
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation

About the company

ACAPL is a Delhi-based non-deposit taking NBFC registered with the Reserve Bank of India (RBI) since 2016. It started operations in 2017. The company primarily provides unsecured short-term personal loans to salaried individuals through web and mobile platforms. It was started by Mr. Tushar Aggarwal, Ms. Shruti Aggarwal and Mr. Parikshit Chitalkar, who have several years of experience in the financial services industry. ACAPL is currently owned by MTPL, a Singapore-based neobanking start-up backed by investors like Tencent Group, Fasanara Capital, Altara Ventures, Uncorrelated Ventures, etc.

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

On a standalone basis, ACAPL reported a profit after tax (PAT) of Rs. 4.3 crore in FY2022 on a total asset base of Rs. 636.4 crore compared with a PAT of Rs. 1.8 crore in FY2021 on a total asset base of Rs. 132.2 crore as on March 31, 2021. In Q1 FY2023, the company reported a PAT of Rs. 4.0 crore on a total asset base of Rs. 631.6 crore (based on provisional financials). As on June 30, 2022, the company's standalone net worth was Rs. 298.6 crore with a gearing of 1.0 times.

On a consolidated basis (ACAPL & EQXAPL), the Group reported a loss of Rs. 14.0 crore in FY2022 on a total asset base of Rs. 693.8 crore as on March 31, 2022 compared with a loss of Rs. 11.6 crore in FY2021 on a total asset base of Rs. 192.9 crore as on March 31, 2021. In Q1 FY2023, the Group (on a consolidated basis) reported a loss of Rs. 1.9 crore on a total asset base of Rs. 707.9 crore (based on provisional financials) as on June 30, 2022. As on June 30, 2022, the company's consolidated net worth stood at Rs. 293.1 crore with a gearing of 1.1 times.

Key financial indicators (audited)

ACAPL (standalone)	FY2021/Mar-21	FY2022/Mar-22	Q1 FY2023/Jun-22*
Total income	20.5	48.9	28.0
Profit after tax	1.8	4.3	4.0
Net worth	76.7	278.8	298.6
Loan book (gross)	91.8	513.6	533.0
Total assets	132.2	636.4	631.6
Return on assets	1.5%	1.1%	2.5%
Return on net worth	3.2%	2.4%	5.6%
Gross stage 3	0.0%	0.0%	0.0%
Net stage 3	0.0%	0.0%	0.0%
Gross gearing (times)	0.62	1.21	1.04
Solvency (net stage 3/ net worth)	0.0%	0.0%	0.0%
CRAR	55.1%	43.3%	46.6%

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

Key financial indicators (audited)

ACAPL (consolidated)	FY2021/Mar-21	FY2022/Mar-22	Q1 FY2023/Jun-22*
Total income	29.6	97.0	46.8
Profit after tax	-11.6	-14.0	-1.9
Net worth	95.2	278.7	293.1
Loan book (gross)	91.8	513.6	533.0
Total assets	192.9	693.8	707.9
Return on assets	-6.6%	-3.2%	-1.1%
Return on net worth	-13.8%	-7.5%	-2.6%
Gross stage 3	0.0%	0.0%	0.0%
Net stage 3	0.0%	0.0%	0.0%
Gross gearing (times)	0.6	1.3	1.1
Solvency (net stage 3/ net worth)	0.0%	0.0%	0.0%

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding as of June 30, 2022 (Rs. crore)	Current Rating (FY2023)		Chronology of Rating History for the Past 3 Years			
					Date & Rating in FY2023		Date & Rating in FY2022		Date & Rating in FY2021	Date & Rating in FY2020
					Oct 20, 2022	Oct 03, 2022	Mar 11, 2022	Dec 09, 2021	-	-
1	Long-term term loans	LT	75.00	0.00	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	-	-
2	Non-convertible debentures	LT	70.00	60.00	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	-	-	-
3	Non-convertible debentures	LT	300.00	-	[ICRA]BBB (Stable)	-	-	-	-	-
4	Commercial paper	ST	80.00	NA	[ICRA]A3+	[ICRA]A3+	[ICRA]A3			

LT – Long term, ST – Short term

Complexity level of the rated instruments

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

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

Annexure I: Instrument details as on June 30, 2022

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and outlook
NA	Proposed term loans	NA	NA	NA	75.00	[ICRA]BBB (Stable)
INE08XP07027	NCD	Mar-16-2022	14.55%	Mar-15-2024	20.00	[ICRA]BBB (Stable)
INE08XP07019	NCD	Mar-31-2022	13.17%	Jul-03-2023	40.00	[ICRA]BBB (Stable)
Yet to be placed	NCD	NA	NA	NA	310.00	[ICRA]BBB (Stable)
Yet to be placed	Commercial paper	NA	NA	NA	80.00	[ICRA]A3+

Source: Company, ICRA Research

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis

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

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info@icraindia.com

About ICRA Limited:

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

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

For more information, visit www.icra.in

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Branches



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ANNEXURE III: CONSENT LETTER AND ENGAGEMENT LETTER FROM THE DEBENTURE TRUSTEE

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No. **MITCONTRUSTEE /CL/2021-22/DT**
Date: **24th November, 2022**

Akara Capital Advisors Private Limited
60, 3rd Floor, Arjun Nagar
Kotla, Mubarakpur, Delhi-110003

Kind Attn: Ms. Shruti Aggarwal

Dear Mam,

ENGAGEMENT LETTER

Subject: Engagement Letter to act as debenture trustee for proposed Secured, Listed, Rated, Redeemable, Non-Convertible Debentures for an Issue size of Rs 30 Crore.

This has reference to your communication regarding appointment of MITCON Credentia Trusteeship Services Limited (MCTSL) as Debenture Trustee for the proposed Secured, Listed, Rated, and Redeemable Non-Convertible Debentures for an issue size of Rs 30 crore.

We at MCTSL are hereby consenting to act as Debenture Trustee for the above issue on the following terms:

Fees & Other Clauses	Agreed Terms
Acceptance Fees	**Rs. 60,000/-** plus applicable taxes***** (One-time non-refundable upfront fees)
Service Charges	**Rs. 85,000/- p.a.** plus applicable taxes. First such payment would become payable on the date of execution (DoE) for the pro-rata period from DoE till March 31, 2023; thereafter the Service Charges are payable on an annual basis in advance on 1st April every year till the redemption and satisfaction of charges in full.
Delay Payment Charges	In case the payment of Service Charges not received within a period of 30 days from the date of the bill, MTSL reserves the right to charge "delayed payment charges" @ 12% p.a. on the outstanding amount.
Out of Pocket Expenses & Statutory Dues	The other expenses relating to valuation, search, inspection, etc. arranged through external agencies for carrying out due diligence shall be payable on actual basis over and above the aforementioned fees. All such expenses shall be reimbursable on actual basis within 30 days of the claim put by MCTSL.
Validity:	i) This letter shall not be construed as giving rise to any obligation on the part of MCTSL to act as Debenture Trustees unless the Company communicates acceptance to MCTSL within 3 days from the date of issuance of this letter. ii) If the transaction under this letter doesn't commence within a period of three months from the date of this letter then the validity of this letter shall be subject to MCTSL's confirmation.

	ii) While giving acceptance to this letter, the Issuer Company agrees to provide information/documents and execute Trusteeship documents including Security Documents within the time stipulated under the offer document or as per applicable law.
Reset Clause	NA
Any enforcement consequent to the Event of Default (EOD) would attract separate charges.	

Assure you of our best services at all times.

Thanking you,

Yours faithfully,

For MITCON Trusteeship Services Limited

_____

(Authorized Signatory)

Name: Ms. Vaishali Urkude

We accept the above terms,
(Akara Capital Advisors Private Limited.)

_____

(Authorized Signatory)

Name: Ms. Shruti Agarwal

Note: As per recent GST guidelines, MCTSL would be required to pay the applicable Goods and Service Tax on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

Date: 23rd December, 2022

To,
AKARA CAPITAL ADVISORS PRIVATE LIMITED ("the Issuer / Company")
60, Third Floor, Arjun Nagar Kotla Mubarakpur,
New Delhi

Dear Sir/Madam,

CONSENT LETTER

Subject: Consent Letter to act as debenture trustee for proposed Rated Unsubordinated Secured Listed Transferable Redeemable Non-convertible debentures each having a face value of INR 10,00,000 (Indian Rupees Ten Lakh Only) aggregating to INR 30,00,00,000 (Indian Rupees Thirty Crores) by the Issuer.

We, MITCON Credentia Trusteeship Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

MITCON Credentia Trusteeship Services Limited ("Trustee") consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue.' By consenting to act as Debenture Trustees, Trustee does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/Private Placement offer letter/Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum/ Offer Document before taking their investment decision. The Trustee shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of the Companies (Share Capital and Debentures) Rules, 2014.

Yours faithfully,

For MITCON Credentia Trusteeship Services Limited

MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED

Authorized Signatory

ANNEXURE IV: APPLICATION FORM

AKARA CAPITAL ADVSIORS PRIVATE LIMITED
A private limited company incorporated under the Companies Act, 2013
Date of Incorporation: 11th February, 2016
Registered Office: 60, Third Floor, Arjun Nagar, Kotla Mubarak Pur, New Delhi - 110003
Telephone No.: 9643309883
Website: www.akaracap.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

Issue of 300 (three hundred) fully paid, senior, secured, rated, listed, non-convertible debentures of the nominal value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) each, aggregating up to INR 30,00,00,000/- (Indian Rupees Thirty Crores Only) on a private placement basis (the "Issue").

Dear Sir / Madam,

I AM/ WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY _____

We have read and understood the terms and conditions of the Placement Memorandum dated 28th December, 2022 for the issue of Debentures on a private placement basis including the Risk Factors described in the Placement Memorandum ("**Placement Memorandum**") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders, on allotment of the Debentures to us.

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

(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)

All capitalised terms used in this Application Form which are not defined shall have the meaning attributed to them in the Placement Memorandum.

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____In words: _____-only
Amount INR_____/-In words Indian Rupees :_____Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS
No. _____ Drawn on_____

Funds transferred to **Akara Capital Advisors Private Limited**
Dated _____

Total Amount Enclosed
(In Figures) INR_/- (In words) _Only

APPLICANT'S NAME IN FULL (CAPITALS) SPECIMEN SIGNATURE

APPLICANT'S ADDRESS

ADDRESS																		
STREET																		
CITY																		
PIN							**PHONE**							**FAX**									

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

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

DEPOSITORY	**NSDL/CDSL**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

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

FOR OFFICE USE ONLY DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

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

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

Debentures in physical form.

Applicant's
Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

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

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) **SERIAL NO.**									

Received from _____

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

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.

2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.

3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account:

Beneficiary Name	AKARA CAPITAL ADVISORS PRIVATE LIMITED NCD APPLICATION ACOUNT
Bank Account No.	433305000397
SWIFT Code	-
IFSC Code	ICIC0004333
Bank Name	ICICI Bank
Branch Address	Block –B, Vatika First India Palace, M G Road, Gurugram, Haryana - 122001

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

a) for adjustment against allotment of securities; or

b) for the repayment of monies where the company is unable to allot securities.

4. Receipt of applicants will be acknowledged by the Company in the “Acknowledgement Slip” appearing below the application form. No separate receipt will be issued.

5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS

Audited Financials for FY 2019-2020, FY 2020-2021and FY 2021-2022 and the half year ended 30th September 2022 are attached separately to this Placement Memorandum

(The remainder of this page is intentionally left blank)

INDEPENDENT INTERIM AUDITOR'S REPORT

To the Members of **M/s Akara Capital Advisors Private Limited**

Report on the Standalone Financial Statements

We have audited the accompanying financial statements **of "M/s Akara Capital Advisors Private Limited"**("the Company"), which comprise the Balance Sheet as at September 30, 2022, the Statement of Profit and Loss and cash flow statement for the period then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2022, and profit, and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the financial statements and Interim auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our Interim 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

SURI & SUDHIR New Delhi Chartered Accountants

estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Interim 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 Interim 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 Interim auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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New Delhi
Chartered Accountants

Report on other Legal & Regulatory Requirements

1. 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 B**, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

f. Being a private company, provisions of section 197 are not applicable to the company.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

h. With respect to the other matters included in the Interim 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 does not have any pending litigations which would impact its financial position.

(ii) The company had not entered into any long term contracts including derivative contracts

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.

(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")

SUJAY & SUDHIR New Delhi Chartered Accountants

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 that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

(v) No dividend have been declared or paid during the period by the company.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Sudhir Kumar Arora
(Partner)
Membership. No.: 080338

UDIN No. 22080338BFPUGU1410

Date:16-12-2022
Place: New Delhi

ANNEXURE "A" TO THE INDEPENDENT INTERIM AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Akara Capital Advisors Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of September 30, 2022 in conjunction with our audit of the standalone financial statements of the Company for the period 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 of 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 September 30, 2022, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Sudhir Kumar Arora
(Partner)
Memb. No.: 080338

Date:16-12-2022
Place: New Delhi

UDIN No. 22080338BFPUGU1410

Annexure 'B' to the Interim Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited

(i)

(a) (A) The company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations provided to us, the Property, Plant and Equipment have been physically verified by the management on annual basis. No material discrepancies were noticed on such physical verification.

(c) According to the information and explanations provided to us, and based on our examination of records, there are no immovable properties held by the company (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), hence the reporting under the clause 3(i)(c) is not applicable to the company.

(d) According to the information and explanations provided to us, and based on our examination of records, the Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the period.

(e) According to the information and explanations provided to us, and based on our examination of records no proceedings have been initiated during the period or are pending against the Company as at September 30, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) As the Company does not possess any Inventory therefore Para (ii) do not apply.

(b) That the company has not been sanctioned working capital limit from any banks or financial institutions on the basis of security of current assets, therefore clause (ii) (b) is not applicable.

(iii)

(a) Since, the principal business of the Company is to give loans and hence, clause (iii)(a)(A) and (iii)(a)(B) are not applicable.

Since the company has not granted any secured loans, guarantee & securities given to parties covered under Section 189 of the Companies Act, 2013 as at 30th September, 2022, clause (iii)(b), (iii)(c), (iii)(d), (iii)(e), (iii)(f) is not applicable.

SURI & SUDHIR
New Delhi
Chartered Accountants

(iv) The company has given any loans & advances to directors and parties covered under section 185 or loans and advances under section 186 of the Companies Act, 2013 which are repaid as on the date of reporting:-

Particulars	All Parties	Promotors	Related Parties
Aggregate outstanding amount of loans/advances in nature of - loans repayable on demand	Nil	Nil	Nil
Percentage of loans/advances in nature of loans to the total loans	Nil	Nil	Nil

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013.Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii)

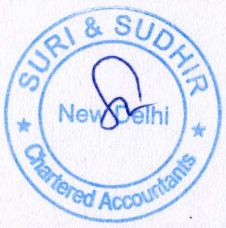
(a) The company is fairly regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us,no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 30th September,2022 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of Goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
(b) That no instance or information has come on our records in context to the Company been declared wilful defaulter by any bank or financial institution or government or any government authority.
(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the period for the purposes for which they were obtained.
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company



has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the period on the pledge of securities held in its subsidiaries, joint ventures or associate companies

(x)

(a) According to the information and explanations given to us and procedures performed by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on an overall examination of the balance sheet, during the period, the Company has not made any preferential allotment of shares during the period under review and hence compliance with the provisions of Section 42 of Companies Act 2013 is not applicable.

(xi)

(a) According to the information and explanations given to us and procedures performed by us no fraud by the Company and no material fraud on the Company has been noticed or reported during the period.

(b) No report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and upto the date of this report.

(c) That as represented by the management, there are no whistle blower complaints received by the company during the period.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and procedures performed by us, Internal audit under Section 138 read with rule 13 of company act is not applicable to the company hence (xiv)(a) and (b) are not applicable

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them.

(xvi)

(a) The company is required to hold Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934, and they hold a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934 vide certificate no. RBI Reg No. NBFC LC N- 14.03354 / 16/01/2017.

(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the reserve Bank of India Act,1934 and hence the company has conducted all Activities with a valid Certificate.

SURI & SUDHIR
New Delhi
Chartered Accountants

(c) According to the information and explanations given to us and on an overall examination of the balance sheet, during the period, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi) (c) is not applicable.

(d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi)(d) is not applicable.

(xvii) The company has not incurred cash losses in the current financial period as well as immediately preceding financial period

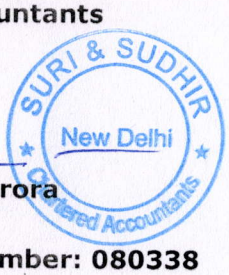
(xviii) There has been no resignation of the statutory auditors of the Company during the period.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us and procedures performed by us the company has a CSR committee has been formed and had its initial meeting on 16th November 2022 wherein the CSR action plan is being recommended by the committee to the board for its approval. Being the initial year of the company for CSR Compliance there are no unspent amounts towards Corporate Social Responsibility in respect of any projects. Accordingly reporting under clause 3(xx)(a) and (b) is not applicable.

(xxi) According to the information and explanations given to us and procedures performed by us the company there have been no qualifications or adverse remarks in the audit reports issued by the respective auditors in case of companies included in the consolidated financial statements, hence reporting under clause is not applicable.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Sudhir Kumar Arora
(Partner)
Membership Number: 080338

Date: 16/12/2022
Place: New Delhi

UDIN No.22080338BFPUGU1410

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

Balance Sheet As at 30th September 2022 ₹ in rupees

Particulars	Note No.	As at 30th September 2022	As at 30th September 2021
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	2,37,83,54,130.00	94,52,60,950.00
Reserves and surplus	2	90,32,80,027.32	30,74,63,735.32
Money received against share warrants			
		3,28,16,34,157.32	**1,25,27,24,685.32**
Share application money pending allotment			
Non-current liabilities			
Long-term borrowings	3	2,45,54,39,147.00	1,19,99,93,594.00
Deferred tax liabilities (Net)	4		
Other long-term liabilities			
Long-term provisions	5	22,20,123.00	18,96,946.00
		2,45,76,59,270.00	**1,20,18,90,540.00**
Current liabilities			
Short-term borrowings	6	2,18,79,45,740.00	100.00
Trade payables	7		
(A) Micro enterprises and small enterprises		25,35,048.00	32,07,432.00
(B) Others		2,03,53,875.00	8,03,66,129.00
Other current liabilities	8	8,73,60,653.00	5,66,26,228.00
Short-term provisions	5	14,31,14,045.00	2,37,01,667.00
		2,44,13,09,361.00	**16,39,01,556.00**
TOTAL		**8,18,06,02,788.32**	**2,61,85,16,781.32**
ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible assets	9		
Property, Plant and Equipment		12,631.00	16,315.00
Intangible assets		7,60,83,135.00	5,27,19,472.00
Capital work-in-Progress			
Intangible assets under development		37,34,834.00	
Non-current investments			
Deferred tax assets (net)	4	2,08,22,872.00	14,29,235.00
Long-term loans and advances	10	1,43,81,96,155.00	21,65,87,964.00
Other non-current assets	11	2,32,59,018.00	3,90,23,142.32
		1,56,21,08,645.00	**30,97,76,128.32**
Current assets			
Current investments			
Inventories			
Trade receivables	12	54,61,97,650.32	1,64,46,144.00
Cash and cash equivalents	13	1,25,53,49,263.00	24,59,70,310.00
Short-term loans and advances	10	4,56,91,24,774.00	1,91,61,07,953.00
Other current assets	14	24,78,22,456.00	13,02,16,246.00
		6,61,84,94,143.32	**2,30,87,40,653.00**
TOTAL		**8,18,06,02,788.32**	**2,61,85,16,781.32**

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

SUDHIR KUMAR ARORA
PARTNER
Membership No.: 080338
Place: NEW DELHI
Date: 16/12/2022

UDIN -22080338BFPUGU1410

For and on behalf of the Board of Directors

TUSHAR AGGARWAL
Managing Director
DIN: DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: DIN: 06867269

SONIA THAKUR
Company Secretary
Membership Number-40393

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

Statement of Profit and loss for the year ended 30th September 2022

₹ in rupees

Particulars	Note No.	30th September 2022	30th September 2021
Revenue			
Revenue from operations	15	52,13,22,349.00	17,63,18,419.00
Less: Excise duty			
Net Sales		**52,13,22,349.00**	**17,63,18,419.00**
Other income	16	2,35,42,816.00	26,88,085.00
Total Income		**54,48,65,165.00**	**17,90,06,504.00**
Expenses			
Cost of material Consumed			
Purchase of stock-in-trade			
Changes in inventories			
Employee benefit expenses	17	3,39,20,059.00	1,70,65,114.00
Finance costs	18	26,24,80,102.00	5,09,16,485.00
Depreciation and amortization expenses	19	81,94,667.00	51,76,689.68
Other expenses	20	11,27,14,416.00	7,71,53,677.00
Total expenses		**41,73,09,244.00**	**15,03,11,965.68**
Profit before exceptional, extraordinary and prior period items and tax		**12,75,55,921.00**	**2,86,94,538.32**
Exceptional items			
Profit before extraordinary and prior period items and tax		**12,75,55,921.00**	**2,86,94,538.32**
Extraordinary items			
Prior period item			
Profit before tax		**12,75,55,921.00**	**2,86,94,538.32**
Tax expenses			
Current tax	21	4,11,40,212.00	67,45,410.00
Deferred tax		(1,66,71,320.00)	(28,42,582.00)
Excess/short provision relating earlier year tax			
Profit (Loss) for the period		**10,30,87,029.00**	**2,47,91,710.32**
Earnings per share			
Basic	**22**		
Before extraordinary Items		0.46	0.40
After extraordinary Adjustment		0.46	0.40
Diluted			
Before extraordinary Items			
After extraordinary Adjustment			

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

SUDHIR KUMAR ARORA
PARTNER
Membership No.: 080338
Place: NEW DELHI
Date: 16/12/2022
UDIN -22080338BFPUGU1410

For and on behalf of the Board of Directors

TUSHAR AGGARWAL
Managing Director
DIN: DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: DIN: 06867269

SONIA THAKUR
Company Secretary
Membership Number-40393

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

CASH FLOW STATEMENT FOR THE YEAR ENDED 30th September 2022 ₹ in rupees

	PARTICULARS	30th September 2022	30th September 2021
A.	**Cash Flow from Operating Activities**		
	Net Profit before tax and extraordinary items (as per Statement of Profit and Loss)	**49,59,16,112.00**	**2,86,94,538.32**
	Adjustments for non-Cash/ Non trade items:		
	Depreciation & Amortization Expenses	81,94,667.00	51,76,689.68
	Finance Cost	26,24,80,102.00	5,09,16,485.00
	Interest received		(1,86,139.00)
	Other Inflows / (Outflows) of cash	51,85,61,637.00	11,13,29,318.00
	Operating profits before Working Capital Changes	**1,28,51,52,518.00**	**19,59,30,892.00**
	Adjusted For:		
	(Increase) / Decrease in trade receivables	(52,97,51,506.32)	
	Increase / (Decrease) in trade payables	(6,06,84,638.00)	
	Increase / (Decrease) in other current liabilities	10,62,84,274.00	
	(Increase) / Decrease in Short Term Loans & Advances	(3,02,20,78,114.00)	
	(Increase) / Decrease in other current assets	(11,76,06,210.00)	
	Cash generated from Operations	**(2,33,86,83,676.32)**	**19,59,30,892.00**
	Net Cash flow from Operating Activities(A)	**(2,33,86,83,676.32)**	**19,59,30,892.00**
B.	**Cash Flow From Investing Activities**		
	Proceeds from sales of tangible assets	3,684.00	
	Interest Received	17,50,765.00	1,86,139.00
	Proceeds from sales of intangible assets		65,12,946.00
	Purchase of intangible assets	(3,63,42,827.00)	(25,14,51,932.00)
	Cash advances and loans made to other parties	(1,22,16,08,191.00)	
	Other Inflow / (Outflows) of cash	1,57,64,124.32	
	Net Cash used in Investing Activities(B)	**(1,24,04,32,444.68)**	**(24,47,52,847.00)**
C.	**Cash Flow From Financing Activities**		
	Finance Cost	(26,24,80,102.00)	(5,09,16,485.00)
	Increase in / (Repayment) of short-term Borrowings	2,18,79,45,640.00	
	Increase in / (Repayment) of long-term borrowings	1,25,54,45,553.00	
	Increase / (Decrease) in share capital	1,43,30,93,180.00	35,45,69,920.00
	Other Inflows / (Outflows) of cash	(2,55,09,197.00)	(88,61,170.00)
	Net Cash used in Financing Activities(C)	**4,58,84,95,074.00**	**29,47,92,265.00**
D.	**Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)**	**1,00,93,78,953.00**	**24,59,70,310.00**
E.	Cash & Cash Equivalents at Beginning of period	24,59,70,310.00	
F.	Cash & Cash Equivalents at End of period	1,25,53,49,263.00	24,59,70,310.00
G.	**Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)**	**1,00,93,78,953.00**	**24,59,70,310.00**

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

SUDHIR KUMAR ARORA
PARTNER
Membership No.: 080338
Place: NEW DELHI
Date: 16/12/2022
UDIN -22080338BFPUGU1410

For and on behalf of the Board of Directors

TUSHAR AGGARWAL
Managing Director
DIN: DIN: 01587860

SHRUTI AGGARWAL
Director
DIN: DIN: 06867269

SONIA THAKUR
Company Secretary
Membership No 40393

Note:

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI,
DELHI-110003
CIN : U74110DL2016PTC290970

Notes to Financial statements for the year ended 30th September 2022
The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Note No. 1 Share Capital ₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Authorised :		
4000000000 (31/03/2021:2000000000) Equity shares of Rs. 10.00/- par value (Equity)	40,00,00,00,000.00	20,00,00,00,000.00
Issued :		
237835413 (31/03/2021:94526095) Equity shares of Rs. 10.00/- par value	2,37,83,54,130.00	94,52,60,950.00
Subscribed and paid-up :		
237835413(31/03/2021:94526095) Equity shares of Rs. 10.00/- par value	2,37,83,54,130.00	94,52,60,950.00
Total	**2,37,83,54,130.00**	**94,52,60,950.00**

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares (Equity) ₹ in rupees

	As at 30th September 2022		As at 30th September 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	21,11,90,519	2,11,19,05,190.00	5,90,69,103	59,06,91,030.00
Issued during the Period	2,66,44,894	26,64,48,940.00	3,54,56,992	35,45,69,920.00
Redeemed or bought back during the period				
Outstanding at end of the period	**23,78,35,413**	**2,37,83,54,130.00**	**9,45,26,095**	**94,52,60,950.00**

Right, Preferences and Restriction attached to shares

Equity shares (Equity)
The company has Equity class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Shares held by Holding/Ultimate holding company and/or their subsidiaries/associates

Class of Shares	Type of Share	Name of Company	Relation	As at 30th September 2022	As at 30th September 2021
Equity(NV 10)	Equity	Morus Technologies Pte Limited	Holding Company	2,37,83,53,130.00	94,52,59,950.00
			Aggregate No. of Shares:	**2,37,83,53,130.00**	**94,52,59,950.00**

Details of shareholders holding more than 5% shares in the company

Class of Shares	Type of Share	Name of Shareholders	As at 30th September 2022		As at 30th September 2021	
			No. of Shares	% of Holding	No. of Shares	% of Holding
Equity (NV 10)	Equity	Morus technologies Pte Limited	23,78,35,313	100.00	9,45,25,995	100.00
		Total:	**23,78,35,413**	**100.00**	**9,45,25,995**	**100.00**

Details of shares held by Promoters

		Current Year					Previous Year				
		Shares at beginning		Shares at end		% Change	Shares at beginning		Shares at end		% Change
Promoter name	Particulars	Number	%	Number	%		Number	%	Number	%	
Shruti Aggarwal	Equity [NV: 10.00] [CLASS: Equity]	100	0.00	100	0.00	0.00	100	0.00	100	0.00	0.00
Morus Technologies Pte. Limited	Equity [NV: 10.00] [CLASS: Equity]	211190419	100.00	237835313	100.00	0.00	59069003	100.00	94525995	100.00	0.00
Total		**211190419**		**237835413**			**59069103**		**94526095**		

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

Note No. 2 Reserves and surplus ₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Surplus		
Opening Balance	5,26,80,228.00	2,05,20,698.00
Add: Profit for the year	10,30,87,029.00	2,47,91,710.32
Less: Other deductions to reserve	(2,55,09,197.00)	(49,58,342.00)
Closing Balance	13,02,58,060.00	4,03,54,066.32
Securities premium		
Opening Balance	60,35,71,583.00	14,72,07,335.00
Add: Addition during the year	12,43,69,072.00	10,63,70,976.00
Less: Deletion during the year		
Closing Balance	72,79,40,655.00	25,35,78,311.00
Special Reserve- 45IC		
Opening Balance	1,95,52,117.00	85,73,016.00
Add: Addition during the year	2,55,09,197.00	49,58,342.00
Less: Deletion during the year		
Closing Balance	4,50,81,314.00	1,35,31,358.00
Balance carried to balance sheet	90,32,80,028.00	30,74,63,735.32

Note No. 3 Long-term borrowings ₹ in rupees

	As at 30th September 2022			As at 30th September 2021		
Particulars	**Non-Current**	**Current Maturities**	**Total**	**Non-Current**	**Current Maturities**	**Total**
Bonds/debentures						
Non-Convertible Debentures Unlisted Secured	20,00,00,000.00	24,00,00,001.00	44,00,00,001.00			
	20,00,00,000.00	**24,00,00,001.00**	**44,00,00,001.00**			
Term Loan - From banks						
Term Loan from Banks secured				7,50,00,004.00		7,50,00,004.00
				7,50,00,004.00		**7,50,00,004.00**
Term Loan - From Others						
Term Loans from Others secured	66,30,18,921.00	1,86,77,13,343.00	2,53,07,32,264.00	1,12,49,93,590.00		1,12,49,93,590.00
	66,30,18,921.00	**1,86,77,13,343.00**	**2,53,07,32,264.00**	**1,12,49,93,590.00**		**1,12,49,93,590.00**
Other Loans and advances						
External Commercial Borrowings secured	1,59,24,20,226.00		1,59,24,20,226.00			
	1,59,24,20,226.00		**1,59,24,20,226.00**			
The Above Amount Includes						
Secured Borrowings	2,45,54,39,147.00	2,10,77,13,344.00	4,56,31,52,491.00	1,19,99,93,594.00		1,19,99,93,594.00
Unsecured Borrowings	0	0		0		
Amount Disclosed Under the Head "Short Term Borrowings"(Note No. 6)		(2,10,77,13,344.00)	(2,10,77,13,344.00)		()	()
Net Amount	**2,45,54,39,147.00**	**0**	**2,45,54,39,147.00**	**1,19,99,93,594.00**	**0**	**1,19,99,93,594.00**

a.	**Term of Repayment of Loan**
i.	Non-Convertible Debentures Unlisted Secured carries interest that varies from 14.55% to 13.17% p.a. The debentures are repaid as per the repayment schedule agreed between both the parties. The debentures are secured by hypothecation of book debts of the company.
ii.	Term Loan from Banks carries interest @ 12.75%. The loan was repaid during 1st Apr 21 to 30th Sep 21. The loan was secured by hypothecation of book debts of the company.
iii.	Term Loans From Others includes loan from private lenders and carries interest that varies from 11.50% to 15.00%. Each loan is repayable as per their stipulated repayment schedule. The loans are secured by hypothecation of book debts of the company.
iv.	External Commercial Borrowings (ECB) was taken during the period 01st Apr21 to 30TH Sep 2021. Upto 30th Sep 2021 the company has raised 20 million USD as ECB. It has a stipulated repayment schedule as per which it is being repaid.

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b.	**Continue default of repayment of Loans and interest**
i.	The company is continue paying on time the principal and interest on all loans/debentures and other debts taken. No default have been done in repayment.

Note No. 4 Deferred Tax

₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Deferred tax assets		
Deferred Tax Assets	2,08,22,872.00	14,29,235.00
Gross deferred tax asset	**2,08,22,872.00**	**14,29,235.00**
Net deferred tax assets	**2,08,22,872.00**	**14,29,235.00**

Note No. 5 Provisions

₹ in rupees

Particulars	As at 30th September 2022			As at 30th September 2021		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Gratuity	22,20,123.00	95,440.00	23,15,563.00	18,96,946.00		18,96,946.00
Provision for Leave Encashment		16,43,667.00	16,43,667.00		7,83,030.00	7,83,030.00
	22,20,123.00	**17,39,107.00**	**39,59,230.00**	**18,96,946.00**	**7,83,030.00**	**26,79,976.00**
Other provisions						
Audit Fee Payable		5,20,000.00	5,20,000.00		5,91,375.00	5,91,375.00
Other Expenses Payable		4,62,35,770.00	4,62,35,770.00		1,02,52,693.00	1,02,52,693.00
NPA Provision		5,30,74,845.00	5,30,74,845.00		53,29,159.00	53,29,159.00
Provision for Income Tax		4,11,40,212.00	4,11,40,212.00		67,45,410.00	67,45,410.00
MSME Interest Payable		4,04,111.00	4,04,111.00			
		14,13,74,938.00	**14,13,74,938.00**		**2,29,18,637.00**	**2,29,18,637.00**
Total	**22,20,123.00**	**14,31,14,045.00**	**14,53,34,168.00**	**18,96,946.00**	**2,37,01,667.00**	**2,55,98,613.00**

Note No. 6 Short-term borrowings

₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Loans and Advances from related parties		
Inter corporate borrowings unsecured	8,02,32,396.00	100.00
	8,02,32,396.00	**100.00**
Current maturities of long-term debt	2,10,77,13,344.00	
	2,10,77,13,344.00	
Total	**2,18,79,45,740.00**	**100.00**

a.	**Repayment of Loan**
i.	The Inter Corporate Deposits have been obtained from related parties which are repayable on demand and do not carry any stipulated repayment schedule.

Note No. 7 Trade payables

₹ in rupees

Particulars	As at 30th September 2022	As at30th September 2021
(A) Micro enterprises and small enterprises		
Sundry Creditors	25,35,048.00	32,07,432.00
	25,35,048.00	**32,07,432.00**
(B) Others		
Sundry Creditors	2,03,53,875.00	8,03,66,129.00
	2,03,53,875.00	**8,03,66,129.00**
Total	**2,28,88,923.00**	**8,35,73,561.00**

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AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI,
DELHI-110003
CIN : U74110DL2016PTC290970

Trade Payables Ageing Schedule ₹ in rupees

	Current Year					Previous Year				
Particular	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
MSME	25,35,048.00					32,07,432.00				
Others	2,03,53,875.00					8,03,66,129.00				
Disputed Dues-MSME										
Disputed-Others										

Note No. 8 Other current liabilities ₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Others payables		
Amount Yet to be disbursed	3,87,07,619.00	2,59,44,600.00
Interest Payable	2,52,41,863.00	59,82,140.00
Collection form Customers	64,01,013.00	1,47,89,483.00
Employee Reimbursement	50,621.00	20,771.00
TDS Payable	58,26,378.00	36,98,789.00
Payable Under PTC	35,17,976.00	45,000.00
Salary Payable	71,85,274.00	60,77,169.00
PF Payable	4,28,325.00	65,952.00
ESI Payable	1,584.00	2,324.00
	8,73,60,653.00	**5,66,26,228.00**
Total	**8,73,60,653.00**	**5,66,26,228.00**

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AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

Note No. 9 Property, Plant and Equipment and Intangible assets as at 30th September 2022

₹ in rupees

	Assets		Gross Block					Accumulated Depreciation/ Amortisation				Net Block	
		Useful Life (In Years)	Balance as at 1st April 2022	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 30th September 2022	Balance as at 1st April 2021	Provided during the year	Deletion / adjustments during the year	Balance as at 30th September 2022	Balance as at 30th September 2022	Balance as at 30th September 2021
A	**Tangible assets**												
	Own Assets												
	CPU	3.00	11,547.00				11,547.00	10,970.00			10,970.00	577.00	577.00
	Dinstar GSM Gateway	3.00	1,84,210.00				1,84,210.00	1,75,001.00			1,75,001.00	9,209.00	12,893.00
	Computer	3.00	14,537.00				14,537.00	13,810.00			13,810.00	727.00	727.00
	Office Equipment	5.00	42,353.00				42,353.00	40,235.00			40,235.00	2,118.00	2,118.00
	Total (A)		**2,52,647.00**				**2,52,647.00**	**2,40,016.00**			**2,40,016.00**	**12,631.00**	**16,315.00**
B	**Intangible assets**												
	Intangible Asset		7,87,86,385.00	2,53,23,109.00			10,41,09,494.00	1,98,31,692.00	81,94,667.00		2,80,26,359.00	7,60,83,135.00	5,27,19,472.00
	Total (B)		7,87,86,385.00	**2,53,23,109.00**			**10,41,09,494.00**	**1,98,31,692.00**	**81,94,667.00**		**2,80,26,359.00**	**7,60,83,135.00**	**5,27,19,472.00**
C	**Intangible assets under Development**												
	Intangible Asset Under Development		34,98,876.00	12,85,621		10,49,663.00	37,34,834.00					37,34,834.00	
	Total (C)		34,98,876.00	12,85,621		**10,49,663.00**	**37,34,834.00**					**37,34,834.00**	
	Current Year Total (A + B + C)		**8,25,37,908.00**	**2,66,08,730.00**		**10,49,663.00**	**10,80,96,975.00**	**2,00,71,708.00**	**81,94,667.00**		**2,82,66,375.00**	**7,98,30,600.00**	**5,27,35,787.00**

General Notes:

1. No depreciation if remaining useful life is negative or zero.
2. Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.
3. If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

Intangible assets under development (Ageing)

			Current Year					Previous Year				
Assets Name	Group	CWIP	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
Intangible Assets under Development	Other intangible assets	Projects in progress	37,34,834.00				37,34,834.00					0.00
		Total	**2875070.00**	**0.00**	**0.00**	**0.00**	**2875070.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

Note No. 10 Loans and advances ₹ in rupees

Particulars	As at 30th September 2022		As at 30th September 2021	
	Long-term	Short-term	Long-term	Short-term
Security Deposit				
Secured, considered good		10,38,30,972.00		
		10,38,30,972.00		
Loans and advances to related parties				
Unsecured, considered good	10,59,641.00		10,32,441.00	
	10,59,641.00		**10,32,441.00**	
Other loans and advances				
Loan Portfolio	1,43,71,36,514.00	4,46,52,93,802.00	21,55,55,523.00	1,91,61,07,953.00
	1,43,71,36,514.00	**4,46,52,93,802.00**	**21,55,55,523.00**	**1,91,61,07,953.00**
Total	**1,43,81,96,155.00**	**4,56,91,24,774.00**	**21,65,87,964.00**	**1,91,61,07,953.00**

Note No. 11 Other non-current assets ₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Non Current Bank Balance (Note No.:13)	**1,07,59,018.00**	**3,75,23,142.00**
Security Deposit	**1,25,00,000.00**	**15,00,000.32**
Total	**2,32,59,018.00**	**3,90,23,142.32**

Note No. 12 Trade receivables ₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Secured, Considered good		
Unsecured, Considered Good	54,61,97,650.32	1,64,46,144.00
Doubtful		
Total	**54,61,97,650.32**	1,64,46,144.00

(Current Year) ₹ in rupees

Particulars	Outstanding for following periods from due date of payment#					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables (considered good)	54,61,97,650.32					54,61,97,650.32
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

(Previous Year) ₹ in rupees

Particulars	Outstanding for following periods from due date of payment#					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables (considered good)	1,54,95,429.00	9,50,715.00				1,64,46,144.00
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

Trade Receivable Ageing Schedule ₹ in rupees

	Current Year						Previous Year					
Particular	Less than 6 Months	More than 6 Months	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 6 Months	More than 6 Months	1-2 Years	2-3 Years	More than 3 Yrs	Total
Secured, Considered good, Undisputed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured, considered good, Disputed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured, Considered Good, Undisputed	546197650.32	0.00	0.00	0.00	0.00	546197650.32	15495429.00	950715.00	0.00	0.00	0.00	16446144.00
Unsecured, Considered Good, Disputed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Doubtful, Undisputed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Doubtful, Disputed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Provision for doubtful receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note No. 13 Cash and cash equivalents ₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Balance with banks		
Balances With Bank	34,22,53,546.00	20,58,52,821.00
Balance in Escrow Accounts	22,29,23,587.00	3,87,83,189.00
Total	**56,51,77,133.00**	**24,46,36,010.00**
Earmarked balances with banks		
Kjk	3,93,50,256.00	
Total	**3,93,50,256.00**	
Cash in hand		
Cash Balance	30,000.00	34,300.00
Total	**30,000.00**	**34,300.00**
Other		
Fixed Deposit	65,07,91,874.00	13,00,000.00
Total	**65,07,91,874.00**	**13,00,000.00**
Total	**1,25,53,49,263.00**	**24,59,70,310.00**

Note No. 14 Other current assets ₹ in rupees

Particulars	As at 30th September 2022	As at 30th September 2021
Other Assets		
Prepaid Expenses	26,512.00	
GST Input	3,55,04,990.00	3,80,71,910.00
Other Receivables	9,96,03,658.00	7,49,16,973.00
Interest Receivable	6,85,32,695.00	1,68,80,569.00
Advance to Suppliers	76,24,327.00	
TDS Receivable	1,21,973.00	18,613.00
TDS Unconsumed		3,28,181.00
Advance Tax	2,42,50,000.00	
Unamortised Roc Fees	1,21,58,301.00	
Total	**24,78,22,456.00**	**13,02,16,246.00**

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AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI,
DELHI-110003
CIN : U74110DL2016PTC290970

Note No. 15 Revenue from operations

₹ in rupees

Particulars	30th September 2022	30th September 2021
Other operating revenues		
Interest income from operations	51,94,40,899.00	17,36,03,172.00
Bad debts recoveries	18,81,450.00	27,15,247.00
	52,13,22,349.00	**17,63,18,419.00**
Net revenue from operations	**52,13,22,349.00**	**17,63,18,419.00**

Note No. 16 Other income

₹ in rupees

Particulars	30th September 2022	30th September 2021
Interest Income		
Interest income from fixed deposit	17,50,765.00	1,86,139.00
	17,50,765.00	**1,86,139.00**
Other non-operating income		
Other income	2,17,91,756.00	24,74,946.00
Balance written off	295.00	27,000.00
	2,17,92,051.00	**25,01,946.00**
Total	**2,35,42,816.00**	**26,88,085.00**

Note No. 17 Employee benefit expenses

₹ in rupees

Particulars	30th September 2022	30th September 2021
Salaries and Wages		
Salaries and wages	2,99,94,537.00	1,38,77,589.00
Leave encashment	15,21,369.00	7,71,723.00
Director Remuneration	16,50,000.00	22,22,384.00
	3,31,65,906.00	**1,68,71,696.00**
Contribution to provident and other fund		
Employer contribution ESI	5,765.00	11,141.00
Employer contribution PF	7,21,836.00	1,80,488.00
	7,27,601.00	**1,91,629.00**
Staff welfare Expenses		
Staff welfare expense	26,552.00	1,789.00
	26,552.00	**1,789.00**
Total	**3,39,20,059.00**	**1,70,65,114.00**

Note No. 18 Finance costs

₹ in rupees

Particulars	30th September 2022	30th September 2021
Interest		
Interest on borrowings	22,97,81,434.00	4,11,85,584.00
	22,97,81,434.00	**4,11,85,584.00**
Other Borrowing costs		
Other borrowing expense	3,26,98,668.00	97,30,901.00
	3,26,98,668.00	**97,30,901.00**
Total	**26,24,80,102.00**	**5,09,16,485.00**

Note No. 19 Depreciation and amortization expenses

₹ in rupees

Particulars	30th September 2022	30th September 2021
Depreciation on tangible assets		3,684.00
Amortisation on intangible assets	81,94,667.00	51,73,005.68
Total	**81,94,667.00**	**51,76,689.68**

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI, DELHI-110003
CIN : U74110DL2016PTC290970

Note No. 20 Other expenses ₹ in rupees

Particulars	30th September 2022	30th September 2021
Audit fees	5,20,000.00	2,07,500.00
Cash Collection & Bank charges	11,96,714.00	11,34,100.00
Rates Fee and Taxes	20,19,464.00	1,23,795.00
Legal Professional & Consultancy expenses	2,83,37,627.00	4,76,76,997.00
Rent	11,06,999.00	11,07,000.00
Directors sitting fees	6,75,000.00	4,50,000.00
Late Filing Fees & Interest	25,694.00	35,982.00
Travelling and conveyance	1,61,689.00	46,099.00
Advertisement and marketing expenses	1,15,86,412.00	88,43,201.00
Annual & subscription fees	1,475.00	
Office expenses	71,96,687.00	1,16,60,164.00
Software maintenance charges	16,200.00	13,500.00
Telephone, mobile and internet	412.00	
Electricity and water charges	38,550.00	
Round off and short & excess	8,385.00	7,545.00
Collection and recovery expense	1,86,99,719.00	28,13,674.00
Provision for gratuity	6,62,469.00	
Provision for gratuity	2,25,466.00	
Forex loss		1,040.00
NPA Provision	4,02,35,454.00	30,33,080.00
Total	**11,27,14,416.00**	**7,71,53,677.00**

Note No. 21 Current tax ₹ in rupees

Particulars	30th September 2022	30th September 2021
Current tax pertaining to current year	4,11,40,212.00	67,45,410.00
Total	**4,11,40,212.00**	**67,45,410.00**

Note No. 10(a) Loans and advances: Other loans and advances: Unsecured, considered good (Head) ₹ in rupees

Particulars	As at 30th September 2022		As at 30th September 2021	
	Long-term	Short-term	Long-term	Short-term
Unsecured	1,43,71,36,514.00	4,46,52,93,802.00	21,55,55,523.00	1,91,61,07,953.00
Total	**1,43,71,36,514.00**	**4,46,52,93,802.00**	**21,55,55,523.00**	**1,91,61,07,953.00**

Note No. 22 Earning Per Share ₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	30th September 2022	30th September 2021	30th September 2022	30th September 2021
Basic				
Profit after tax (A)	10,30,87,029.00	2,47,91,710.32	10,30,87,029.00	2,47,91,710.32
Weighted average number of shares outstanding (B)	222619111	61024016	222619111	61024016
Basic EPS (A / B)	0.46	0.40	0.46	0.40
Diluted				
Profit after tax (A)	10,30,87,029.00	2,47,91,710.32	10,30,87,029.00	2,47,91,710.32
Weighted average number of shares outstanding (B)	222619111	61024016	222619111	61024016
Diluted EPS (A / B)	0.46	0.40	0.46	0.40
Face value per share	10.00	10.00	10.00	10.00

SURI & SUDHIR Chartered Accountants New Delhi

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

Note no. 23

1. COMPANY BACKGROUND

M/s Akara Capital Advisors Private Limited was incorporated on 11-02-2016 under the companies act 2013. The company was registered as a Non-Deposit taking Non-Banking Financial Company under section 45IA of the Reserve Bank of India (RBI) Act 1934.

The Authorized Share Capital of the company is Rs. 4,00,00,00,000.00 divided into 40,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per shares at all times. The Subscribed Share Capital of the company is Rs 2,37,83,54,130.00 divided into 23,78,35,413 ordinary equity shares of Rs. 10/- carrying one voting rights per shares at all times.

The company is a wholly owned subsidiary of Morus Technologies Pte Ltd having a shareholding of Rs 2,37,83,53,130.00 in the entire share capital of Akara Capital Advisors Private Limited. 100 shares are held by director as the beneficial owner of the holding company.

The Company's registered office is at 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi 110003. In addition, company operates from Khasra no. 337, 1st Floor, CRC-II, M G Road, Sultanpur, Mehrauli, South West Delhi, Delhi, 110030.

Nature of Operations

Akara Capital Advisors Private Limited. ("The Company") is primarily engaged in business of lending activities for providing loans.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and the provisions of the Reserve Bank of India as applicable to a

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AKARA CAPITAL ADVISORS PVT. LTD.

non-banking financial company. Financial Statements have been prepared under the historical cost convention on an accrual basis of accounting.

B. **Use of Estimates**

The preparation of financial statements, in accordance with the Generally Accepted Accounting Principles, require the management to make estimates and assumptions that effect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements, reported amount of expenses and revenues for the period 1st April 2022 to 30th September 2022 and the amortized amount of preliminary expenditure of the period. Estimates and underlining assumptions are reviewed on ongoing basis. Actual results could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future at the date of the financial statements.

C. **Current-Non-Current Classification**

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. It is to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is expected to be realized within 12 months after the reporting date;or
iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non- current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. It is expected to be settled in the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is due to be settled within 12 months after the reporting date; or

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iv. The company does not have an unconditional right to defer the settlement of liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non- current financial liabilities. All other liabilities are classified as non-current.

Operating Cycle

Company has ascertained its operating cycle as 12 months that is the time gap between the acquisition of assets for processing and their realization in cash or cash equivalents.

D. **Cash & Cash Equivalents**

Cash & cash equivalents for the purpose of cash flow statement comprises cash in hand, cash in bank, fixed deposits and other short term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

E. **Cash Flow Statement**

Cash flow are reported using the indirect method whereby cashflows from operating, investing & financing activities of the company are segregated and profit before tax is adjusted for the effect of transactions of non-cash nature or any deferrals or accruals of past or future cash receipts or payments.

F. **Property, Plant & Equipment**

Property, Plant & Equipment comprising both tangible and intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

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G. Depreciation

Depreciation on all fixed assets of the Company is provided on Straight Line Method at the rates specified in schedule II of the Companies Act, 2013.

H. Borrowing Costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

I. Impairment of Assets

The Company identifies impaired assets based on individual assets or cash generating unit concept at the period-end in terms of Para 5.13 of AS-28 issued by the ICAI for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged against revenue of the period.

J. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

I. Repayment of loans is generally by the way of Equated Monthly Instalments (EMIs) comprising principal and interest. EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is recoverable every month. Interest on loans is computed on monthly rest basis.

II. Interest income on all loans up to 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.

III. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.

SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

IV. Processing fees on loans are recognized on upfront basis in the books of IT Service Provider as platform fees. (The IT Service Company provides a customer interface with Akara Capital Advisors Private Limited).

V. Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rates.

VI. Income including interest/ discount/ hire charges/ lease rentals or any other charges on NPA shall be recognised only when it is actually realized. Any such income recognised before the asset became non-performing and remaining unrealized shall be reversed.

VII. Dividend income is accounted when the right to receive dividend is established.

VIII. In other cases, income is recognised when there is no significant uncertainty as to determination and realization. Interest on tax refunds and other incomes are accounted for on receipt basis.

The company has reported accrued interest income on loans amounting to **Rs 6,85,32,695.00** The Revenue is recognized for Interest Accrued but not received on Standard Asset up to 90 days till the period 1st April 2022 to 30th September 2022.

K. **Classification of Loan Portfolio and provisioning policy**

Loan portfolio is classified and provision is made in accordance with the Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Directions, 2015 issued by Reserve Bank of India as mentioned below-

The Loan Portfolio maintained in the books is inclusive of amount yet to be disbursed shown in current liabilities.

Asset Classification

The Company after taking into account the degree of defined credit weaknesses and extent of dependence on collateral security for realization, classify its loans and advances and any other forms of credit into the following classes, namely:

(i) Standard assets;

(ii) Sub-standard assets;

(iii) Doubtful assets; and

(iv) Loss assets.

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AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

As per the Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs issued on October 22,2021 the company classifies the assets overdue for a period more than 90 days as NPA. A Detailed analysis of the classification of assets is listed below: -

Standard Asset: Standard asset shall mean the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem or carry more than normal risk attached to the business. It has comprise of the assets from 0 to 90 DPD only.

Sub-standard Asset: Sub-standard asset shall mean an asset which has been classified as non-performing asset for a period not exceeding 91-150 days.

Doubtful Asset: Doubtful Asset shall mean: a term loan, or a lease asset, a hire purchase asset, or any other asset, which remains a sub-standard asset for a period exceeding 150 days.

Loss Asset: Loss Asset shall mean:

(a) An asset which has been identified as loss asset by the company or its internal or external auditor or by the Reserve Bank during the inspection of the applicable NBFC, to the extent it is not written off by the company; and

(b) An asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower

Non-Performing Asset:

(a) An asset, in respect of which, interest has remained overdue for a period of 91 days or more;

(b) A term loan inclusive of unpaid interest, when the installment is overdue for a period of 91 days or more or on which interest amount remained overdue for a period of 91 days or more.

(c) A demand or call loan, which remained overdue for a period of 91 days or more 0 from the date of demand or call or on which interest amount remained overdue for a period 91 days or more;

(d) A bill which remains overdue for a period of 91 days or more;

(e) The interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short-term loans / advances, which facility remained overdue for a period of 91 days or more;

(f) Any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of 91 days or more;

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AKARA CAPITAL ADVISORS PVT. LTD.

(g) The lease rental and hire purchase installment, which has become overdue for a period of 91 days or more

(h) in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower / beneficiary when any of the above credit facilities becomes non-performing asset :

(ii) Provisioning Policy for Portfolio Loans & Advances

The Amount of provision accounted in books is computed as follows: -

DPD	Loan Book	Provision (%)	Total Provision	Provision (Opening Balance)	Provision to be created/ (reversed)
0	4,93,90,89,550.00	0.25%	1,23,47,723.87	1,28,39,391.00	-49,16,67.13
1-30	33,84,01,413.00	0.36%	12,18,245.08	-	12,18,24,5.09
31-60	23,18,93,405.00	3.00%	69,56,802.15	-	69,56,802.15
61-90	16,88,13,031.00	6.00%	1,01,28,781.86	-	1,01,28,781.86
91-120	12,47,99,672.00	10.00%	1,24,79,967.2	-	1,24,79,967.20
121-150	9,94,33,245.00	10.00%	99,43,324.5		99,43,324.50
Total loan book outstanding as on 30.09.2022	5,90,24,30,316.00		**5,30,74.845.00**	**1,28,39,391.00**	**4,02,35,453.70**

The NPA Provision has been made during the period 1st April 22 to 30th Sep 22 amounting to Rs **4,02,35,453.70**.

The Company has not reported Bad Debts during the period: -

Bad Debts (Less Than Rs 1,00,000 Each)- Rs NIL.

Bad Debts (More Than Rs 1,00,000 Each)- Rs NIL

Bad Debts recovered during the period –Rs 34,90,233.00. *

Bad Debts recovered includes Bad Debt Principal, Bad Debt Interest and Bad Debt Penal Interest recovery

L. **Expenditure**

The provision is made for all the known losses and liabilities.

M. **Income Taxes**

i) Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantively enacted tax rates.

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AKARA CAPITAL ADVISORS PVT. LTD.

ii) Deferred Tax Assets (DTA) are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carried forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realized. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

iii) Current tax is the amount of tax payable on the taxable income including interest for the period as determined in accordance with the provisions of Income Tax Act, 1961.The Company has not made any provision for Income Tax in the books.

N. **Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events: it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

O. **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit / loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later time.

Computation of Earnings Per Share

Particulars	For the period ended 30 September 2022	For the period ended 30 September 2021
(A) Profit after taxation (Rs.)	10,30,87,029.00	2,47,91,711.01
(B) Weighted average number of equity shares (Nos)	222619111	61024016
(C) Earnings per share (in Rs.): [(A)/(B)]	0.46	0.40

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

I. Based on the information available, as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below as per books of accounts:

Particulars	As on: 30-09-2022	As on: 30-09-2021*
Principal amount and Interest due thereon remaining unpaid to any supplier as on 30-09-2022.	25,35,048.00	-
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day.		-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.		-
The amount of interest accrued and remaining unpaid during the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.		-

*No interest has been paid/payable by the Company during the period ended 30th September 2021 to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. The above information is per the management representation provided on behalf of the vendors

Note: -Thrice of Bank rates as issued by RBI are considered as reference rates for MSME Interest calculation.

II. Balance reconciliations of Escrow Accounts are subject to management confirmation.

III. The balances receivables and payables are subject to confirmation and reconciliation. Pending such confirmation and reconciliation, the impact on accounts is not ascertainable at this stage.

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AKARA CAPITAL ADVISORS PVT. LTD.

IV. All secured Non-Convertible Debentures ("NCDs") issued by the Company are secured by pari-passu charge on the Company's property (wherever applicable) and /or exclusive charge on receivables under book debts to the minimum extent of 100% or such higher security as per the respective term sheets of the outstanding secured NCDs.

V. During the period ended 30th September 2022 the company has not entered into any securitization transactions.

Particulars	As on: 30-09-2022	As on: 30-09-2021
1. No. of accounts	-	-
2. Aggregate value (net of provisions) of accounts sold to SC/RC	-	-
3. Aggregate consideration	-	-
4. Additional consideration realized in respect of accounts transferred in earlier years	-	-
5. Aggregate gain / loss over net book value	-	-

VI. **Employee Benefits (As per AS 15): -**

The Company has in accordance with the Accounting Standard-15 (Revised) 'Employee Benefits' has calculated the various benefits provided to employees as under:

- **Defined Contribution Plans**

During the year the Company has recognized the following amounts in the Statement of Profit and Loss: -

Particulars	For the period ended 30 September 2022	For the period ended 30 September 2021
Employer's contribution to Employee's Provident Fund	6,79,156.00	1,60,200.00
Employer's contribution to Employee's State Insurance	5,765.00	11,141.00

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AKARA CAPITAL ADVISORS PVT. LTD.

- **Defined Benefit Plan**

The gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the payment of Gratuity Act. The liability with regard to gratuity and compensated absences is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. The Gratuity Valuation is done both on Short Term Gratuity payable and Long term gratuity payable and provided in the books on accrual basis as per AS-15(revised 2005) issued by The Institute of Chartered Accountants of India.

The present value obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarized position of defined benefit plan is as under:

1: **Table Showing Changes in Present Value of Obligations:**

Period	**From: 01-04-2022 To: 30-09-2022**	**From: 01-04-2021 To: 30-09-2021**
Present value of the obligation at the beginning of the period	16,53,094	-
Interest cost	61,991	-
Current service cost	3,54,127	-
Past Service Cost	0	-
Benefits paid (if any)	0	-
Actuarial (gain)/loss	2,46,351	-
Present value of the obligation at the end of the period	23,15,563	-

2: Key results (The amount to be recognized in the Balance Sheet):

Period	**As on: 30-09-2022**	**As on: 30-09-2021**
Present value of the obligation at the end of the period	23,15,563	-
Fair value of plan assets at end of period	0	-
Net liability/(asset) recognized in Balance Sheet and related analysis	23,15,563	-
Funded Status - Surplus/ (Deficit)	(23,15,563)	-

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AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

3: Expense recognized in the statement of Profit and Loss:

Period	From: 01-04-2022 To: 30-09-2022	From: 01-04-2021 To: 30-09-2021
Interest cost	61,991	-
Current service cost	3,54,127	-
Past Service Cost	0	-
Expected return on plan asset	(0)	-
Net actuarial (gain)/loss recognized in the period	2,46,351	-
Expenses to be recognized in P&L	6,62,469	-

The Basis of Valuation is as listed below:

.1: Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 30-09-2022	As on: 30-09-2021
Number of employees	64	-
Total monthly salary	37,58,017	-
Average Past Service(Years)	0.9	-
Average Future Service (yrs)	26.5	-
Average Age(Years)	33.5	-
Weighted average duration (based on discounted cash flows) in years	24	-
Average monthly salary	58,719	-

2: Actuarial assumptions provided by the company and employed for the calculations are tabulated:

Discount rate	7.50 % per annum	-
Salary Growth Rate	5.00 % per annum	-
Mortality	IALM 2012-14	-
Expected rate of return	0	-
Withdrawal rate (Per Annum)	5.00% p.a.	-

3: Benefits valued:

Normal Retirement Age	60 Years	-
Salary	Last drawn qualifying salary	-
Vesting Period	5 Years of service	-
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr).	-
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	-
Limit	2000000.00	-

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013) :

Period	As on: 30-09-2022	As on: 30-09-2021
Current Liability (Short Term) *	95,440	-
Non-Current Liability (Long Term)	22,20,123	-
Total Liability	23,15,563	-

Note: - The company has made the actuary provisioning on annual basis for the year ended 31st March 2022.

VII. **Contingent liabilities and Commitments (to the extent not provided for)**

Contingent liabilities

There are no contingent liabilities as at 30th September, 2022 and 30th September, 2021.

Commitment

The Company has sanctioned loans which are still to be disbursed amounting to Rs. 3,87,07,618.75 (For Period Ended 30th September 2021 - Rs.2,59,44,600.11).

VIII. **Provisions and Contingencies**

Summary of movement in provisions is as below

Particulars	As at 1st Apr 2022	Provision made during the period	Provision Reversed/ Adjusted	As at 30th Sep 2022
Provision for Income tax	1,73,13,251.00	4,11,40,212.00	1,73,13,251.00	4,11,40,212.00
Provision for Standard Assets	1,28,39,391.00	1,78,12,161.97	-	3,06,51,552.97
Provision for Sub Standard Assets	-	2,24,23,291.70	-	2,24,23,291.70
Provision for Expenses	91,59,089.00	17,27,37,067.56	13,51,24,096.25	4,67,72,059.70
Provision for Gratuity	16,53,094.00	6,62,469.00	-	23,15,563.00
Provision for Leave Encashment	8,36,183.00	7,71,468.00	15,78,952.00	16,43,667.00

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

Particulars	As at 1st Apr 2021	Provision made during the period	Provision Reversed/ Adjusted	As at 30th Sep 2021
Provision for Income tax	71,84,520.00	-	71,84,520.00	-
Provision for Standard Assets	22,96,078.69	30,33,080.00	-	53,29,158.69
Provision for Sub Standard Assets	-	-	-	-
Provision for Expenses	2022785.00	5,15,73,637.62	4,33,43,729.62	1,02,52,693.00
Provision for Gratuity	18,96,946.00	-	-	18,96,946.00
Provision for Leave Encashment	18,80,877.98	7,83,030.00	18,80,878.00	7,83,030.02

IX. **Movement in Deferred tax:**

Deferred tax asset/liability has been estimated using the substantively enacted rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current period.

Particulars	For the period ended 30.09.2022 (Rs)	For the period ended 30.09.2021 (Rs)
(a) The movement in deferred tax Liability is as follows:		
Opening Balance	-	14,13,347.00
Current Period deferred tax expense	-	(14,13,347.00)
Closing Balance	-	-
(b) The movement in deferred tax Asset is as follows:		
Opening Balance	41,51,552.00	
Current Period deferred tax credit	1,66,71,319.98	14,29,235.00
Closing Balance	**2,08,22,871.98**	**14,29,235.00**
Net Deferred Tax Asset/Liability as at the period ended 30-09-2022.	**2,08,22,871.98**	**14,29,235.00**

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

X. The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from April 1, 2014. The Provisions of the said section are applicable to the Company for the year ended March 31, 2023.

Consequently, a CSR committee has been formed and had its initial meeting on 16th November 2022 wherein the CSR action plan is being recommended by the committee to the board for its approval.

Particulars	For the period ended 30th September,2022	For the period ended 31st March,2022[1]
(a) Gross amount required to be spent by the Company during the year	7,50,711.85	-
(b) Amount approved by the Board to be spent during the year	6,28,298.00[2]	-
(c) Amount spent during the year (in cash): (i) Construction/acquisition of any asset (ii) On purposes other than (i) above	-	-
(d) Contribution to related parties	-	-
(e) Excess amount spent/ Shortfall	-	-

1. The Company was not required to spend any amount as per Section 135 of the Companies Act 2013 in the year ended 31st March,2022.
2.The amount is as per the action plan and is pending for approval from the board.

Nature of CSR activities
The company has planned to make a contribution to charitable organizations towards the welfare of specially-abled children, the rehabilitation of the Medically boarded out personnel, the war widows.

XI. **Expenditure in Foreign Currency:**

Company has incurred the following expenses in foreign currency

Particulars	For the period ended 30.09.2022 (Rs)	For the period ended 30.09.2021 (Rs)
Expenditure in Foreign Currency (Interest Expense)	19,07,297.00	Nil

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

XII. **Income in Foreign Currency:**

Company has incurred the following expenses in foreign currency

Particulars	For the period ended 30.09.2022 (Rs)	For the period ended 30.09.2021 (Rs)
Expenditure in Foreign Currency	Nil	Nil

XIII. **Payments to Auditors: -**

Auditors Remuneration	For the period ended 30.09.2022 (Rs)	For the period ended 30.09.2021 (Rs)
Audit Fees	5,20,000.00	2,07,500.00
Certification Fees	1,95,000.00	-
GST	-	-
Total	**5,20,000.00**	**2,07,500.00**

*GST will be levied on issue of invoice.

XIV. **Related Party Disclosure- Accounting Standard 18:**

A. **Names of the related parties:**

Key Management Personnel	1. Ms. Shruti Aggarwal, Director. 2. Mr. Tushar Aggarwal, Managing Director. 3. Mr. Satish Chandra Sinha, Director 4. Mr. Radhakrishnan Ramachandra Iyer, Director 5. Mr. Vijuy Ronjan, Director. 6. Mr. Vijay Jasuja, Director 7. Ms. Sonia Thakur, Company Secretary 8. Ms. Paveet Dhaiya, Company Secretary
Parties having Significant influence due to common directorship	1. EQX Analytics Private Limited 2. Titanium Fortune Financial Services Private Limited 3. Stash Payments Private Limited 4. Santra Digital Services Private Limited 5. Vishuv Invest Private Limited 6. NR Agarwal Industries Limited 7. Integro Finserv Private Limited 8. PNB Cards and Services Limited 9. Paisalo Digital Limited
Holding Company	**Morus Technologies Pte Limited** (105, Cecil Street, #13-01 The Octagon, Singapore - 069534)

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

B. Related Party transactions:

Transactions with Key Management Personnel

Particulars	For the period ended 30.09.2022 (Rs)	For the period ended 30.09.2021 (Rs)
(i)Managerial remuneration: Ms. Shruti Aggarwal	Rs 16,50,000.00	Rs 22,22,384.00
(ii)Managerial remuneration: Mr. Tushar Aggarwal		-
(iii)Managerial remuneration: Ms. Paveet Dhaiya	Rs 68,548.00	Rs 102,000.00
(iv)Managerial remuneration: Ms., Sonia Thakur	Rs 3,69,600.00	-
(v) Reimbursement of Expenses Ms. Shruti Aggarwal	Rs 4,48,940.00	-
(vi) Director Sitting Fees Mr. Satish Chandra Sinha	Rs 1,50,000.00	Rs 2,02,500.00
(vii) Director Sitting Fees Mr. Radhakrishnan Ramachandra Iyer	Rs 2,25,000.00	Rs 2,02,500.00
(viii) Director Sitting Fees Mr. Vijay Jasuja	Rs 75,000.00	-
(ix) Director Sitting Fees Mr. Vijuy Ronjan	Rs 2,25,000.00	-

Transactions with parties having significant influence for the period ended 30th September 2022

Particulars	For the period ended 30.09.2022 (Rs)	For the period ended 30.09.2021 (Rs)
(i) Morus Technologies Pte Limited Interest cost on External Commercial Borrowings	Rs 19,07,297.00	-
(ii) Titanium Fortune Financial Services Private Limited Interest Receivable on loan given to Related Party	Rs 20,67,704.00	-

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

Particulars	For the period ended 30.09.2022 (Rs)	For the period ended 30.09.2021 (Rs)
(iii) Titanium Fortune Financial Services Private Limited Interest Payable on loan received from Related Party	Rs 95,108.00	

Balances with parties having significant influence for the period ended 30th September 2022

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	2,11,19,04,190.00 CR		26,64,48,940 CR	2,37,83,53,130 CR
(ii) Morus Technologies Pte Limited Reimbursement of Expenses receivable from Morus	10,59,641.00 DR		-	10,59,641.00 DR
(iii) Morus Technologies Pte Limited External Commercial Borrowings	-		1,59,24,20,225.85 CR	1,59,24,20,225.85 CR
(iv) EQX Analytics Private Limited Reimbursement of Expenses Receivable	19,53,08,615.94 DR	4,35,46,74,155.16 DR	4,20,53,00,800.94 CR	34,46,81,970.16 DR
(v) EQX Analytics Private Limited Amount receivable from EQX	3,61,72,288.13 DR	58,18,70,195.59 DR	41,55,63,972.00 CR	20,24,78,511.70 CR
(vi) EQX Analytics Private Limited Repayment of Loan	-	-	-	-
(vii) EQX Analytics Private Limited Infra sharing expenses payable to EQX	18,16,430.00 CR	18,16,430.00 DR	-	-
(viii) Titanium Fortune Financial	-	55,58,10,200.00 DR	55,58,10,200.00 CR	-

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
Services Private Limited Loan Given				
(ix) Titanium Fortune Financial Services Private Limited Loan Received	-	-	8,23,00,100.00 CR	8,23,00,100.00 CR
(x) Stash Payments Private Limited Reimbursement of Expenses	10,32,441.00 CR	10,32,441.00 Dr	-	-

Balances with parties having significant influence For the period ended 30th September 2021

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	59,06,90,030.00 CR	-	35,45,69,920.00	94,52,59,950.00 CR
(ii) Morus Technologies Pte Limited Reimbursement of Expenses receivable from Morus	-	10,32,441.00 DR	-	10,32,441.00 DR
(iii) Morus Technologies Pte Limited External Commercial Borrowings	-	-	-	-
(iv) EQX Analytics Private Limited Reimbursement of Expenses Payable	22,38,37,861.06 DR	1,47,94,33,671.16	1,77,84,98,918.89	7,52,27,386.67 CR
(v) EQX Analytics Private Limited Amount Payable to EQX	1,35,21,347.50 CR	25,84,55,263.00 DR	26,24,01,269.00 CR	1,74,67,353.50 CR
(vi) EQX Analytics Private Limited Repayment of Loan	1,74,87,423.00 CR	2,19,88,972.00 DR	45,01,549.00 CR	-

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(vii) EQX Analytics Private Limited Infra sharing expenses payable to EQX	-	-	-	-
(viii) Titanium Fortune Financial Services Private Limited Amount Payable to Titanium	-	Rs 100.00 DR	-	Rs 100.00 DR
(ix) Stash Payments Private Limited Reimbursement of Expenses	-	-	-	-

Notes: -

a. All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

b. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

XV. The Company has not accepted any public deposit during the financial period and there is **NIL** outstanding as on **30.09.2022.**

1. The **Net Owned Fund** of the Company as on **30.09.2022** is **3,15,50,05,419.85 (Rupees Three Hundred Fifteen Crore Fifty Lakh Five Thousand Four Hundred Nineteen Rupees and Eighty-Five Paisa Only**).

Net Owned Fund calculated as follows:	**Amount (Rs.)**
Paid up Equity Share Capital	**2,37,83,54,130.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**90,32,80,028.61**
Less: Deferred Tax Asset	**(2,08,22,871.98)**
Less: Miscellaneous Expenditure	**(17,36,899.00)**
Less: Intangible Assets	**(7,98,17,967.78)**
Less: Advance Tax	**(2,42,50,000)**
Total Net Owned Fund as on 30.09.2022(a)	**3,15,50,05,419.85**
Total Number of Outstanding Equity Shares as on 30.09.2022 (b)	**23,78,35,413**
Book Value Per Equity Share (a/b)	**13.27**

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

XVI. The Total Assets Size and Loan Asset Portfolios of the Company as on **30.09.2022** are **Rs. 8,18,06,02,788.00/- (Rupees Eight Hundred Eighteen Crores Six Lakhs Two Thousand Seven Hundred and Eighty-Eight only) and Rs. 5,90,24,30,316.00 /-(Rupees Five Hundred Ninety Crores Twenty Four Lakhs Thirty Thousand Three Hundred and Sixteen Rupees only)** respectively

XVII. The Capital Adequacy Ratio of the company is **45.92%** as on **30.09.2022.**

Statement showing calculation of Capital Adequacy Ratio

A	**Tier I Capital**		**3,15,50,05,419.85**
B	**Tier II Capital**		**-**
	Total of Adjusted Assets		**3,15,50,05,419.85**
C	**Risk Weighted Assets**		**6,86,94,21,635.34**
	Capital Adequacy Ratio	**[(A+B)/C]**	**45.92%**

Tier I Capital calculated as follows:	**Amount**
Paid up Equity Share Capital	**2,37,83,53,130.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**90,32,80,028.61**
Less: Deferred Tax Asset	**(2,08,22,871.98)**
Less: Miscellaneous Expenditure	**(17,36,899.00)**
Less: Intangible Assets	**(7,98,17,967.78)**
Less: Advance Tax	**(2,42,50,000)**
Total Tier I Capital as on 30.09.2022(A)	**3,15,50,05,419.85**
Tier II Capital calculated as follows:	
Paid up Preference Share Capital (Optionally Converted)	---
Add: General Provisions and Loss Reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth (1.25) percent of risk weighted assets.	---
Total Tier II Capital as on 30.09.2022(B)	---

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AKARA CAPITAL ADVISORS PVT. LTD.

Risk Weighted Assets Calculated as follows: -			
Assets	**Amount (1)**	**Risk Weight (2)**	**Risk Weighted Assets (1*2)**
Cash & Bank Balance	56,52,07,133.00	0%	0
Deposits other than Lien Marked	65,07,91,874.00	0%	0
Deposits With Lien Marked	5,01,09,274.00	0%	0
Loan Portfolio	5,90,24,30,316.00	100%	5,90,24,30,316.00
Fixed Assets	7,98,30,600.00	100%	7,98,30,600.00
Security Deposits	11,63,30,972.00	100%	11,63,30,972.00
Advance Tax & MAT	2,42,50,000.00	0%	0
Deferred Tax Assets	2,08,22,871.98	0%	0
Other Current Assets	77,08,29,747.34	100%	77,08,29,747.34
		Total (C)	**Rs. 6,86,94,21,635.34**

4. Other Regulatory Information

I. Title Deeds of Immovable Property not held in the name of the Company

The company does not possess any immovable property in the books.

II. Revaluation of Property, Plant and Equipment and Right-of-Use Assets

The company has not revalued any Property, Plant and Equipment in the books.

III. Loans or Advances in the nature of Loans to specified persons (promoters, directors, KMPs, related parties) that are:

a. **Repayable on Demand or**

b. **Without specifying any terms or period of repayment**

The company has granted loans to its related parties without any stipulated repayment schedule which are repayable on demand. The same has been repaid during the reporting period. Details are attached below: -

		As at Sep 30, 2022		As at Sep 30, 2021	
S.No.	**Type of Borrower**	**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	**Nil**	**0.93%**	-	-

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

IV. Capital Work-in-Progress (CWIP)

The company do not possess any capital work in progress.

V. Intangible Assets under Development

The company possess intangible assets under development amounting to Rs 37,34,833.62.

VI. Details of Benami Properties held

No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

VII. Borrowings secured against Current Assets

The Company has availed borrowings from Banks and Financial Institutions on the basis of security of current assets (Book Debts).

VIII. Willful Defaulter

The Company has timely repaid the installments due from Banks and Financial Institutions.

IX. Relationship with Struck off Companies

The Company has no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

X. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period.

XI. Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year

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AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

Notes to financial statements for the period 1st April, 2022 to 30th September, 2022

XII. The following Ratios to be disclosed:

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	2.71	14.09	-80.77	Due to Change in Current Liabilities
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.41	0.96	46.88	Due to Change in Shareholder Equity and Debt.
(c) Debt Service Coverage Ratio	Earnings Before Interest, tax, Depreciation & Amortisation	Total principal + Interest on Borrowings	1.14	1.66	-31.34	Due to Change in Earnings before Interest, tax, Depreciation & Amortisation and Total Principal & Interest on Borrowings
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholder's Equity	0.05	0.03	66.67	Due to Change in Earning After, Depreciation & Amortisation and Average Shareholder's Equity
(e) Inventory turnover ratio (Note-1)	Turnover	Average Inventory	0.00	0.00	0.00	Due to Change in Turnover and Average Inventory
(f)Trade Receivables turnover ratio (Note-2)	Net Credit Sales	Average Trade Receivable	0.00	0.00	0.00	Due to Change in Net Credit Sales and Average Trade Receivable
(g) Trade payables turnover ratio (Note-2)	Net Credit Purchase	Average Trade Payable	0.00	0.00	0.00	Due to Change in Net Credit Purchase and Average Trade Payable
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.12	0.08	50.00	Due to Change in Total Sales and Average Working Capital
(i) Net profit ratio	Net Profit	Net Sales	0.20	0.14	42.86	Due to Change in Net Profit and Net Sales
(j) Return on Capital employed	Earnings Before Interest & tax	Capital employed	0.05	0.03	66.67	Due to Change in Earnings Before Interest & Tax and Capital Employed
(k) Return on investment	Net Return on investment	Cost of investment	0.21	0.14	50.00	Increase in Investment as compared to PY

Note-1 The Company is engaged in service sector hence do not possess any inventory and this ratio is not being computed.
Note-2 The Company has not incurred credit sales or credit purchases during FY 21-22 and FY 20-21, hence this ratio is not being computed.

XIII. Compliance with approved Schemes of Arrangements

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

XIV. Utilisation of Borrowed funds and Share Premium

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

XV. **Corporate Social Responsibility (CSR)**- Refer Note no X

XVI. **Details of Crypto Currency or Virtual Currency-**

The Company has not traded or invested in crypto currency or virtual currency during the current and previous financial year.

XVII. Previous year figures have been regrouped/ rearranged wherever necessary.

The accompanying notes are an integral part of the financial statements.
As per our report of even date as per our report in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information

For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

For and on behalf of the Board of Directors

SUDHIR KUMAR ARORA
PARTNER
Membership No.: 080338
Place: NEW DELHI
Date: 16-12-2022
UDIN -22080338BFPUGU1410

TUSHAR AGGARWAL
Managing Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

SONIA THAKUR
Company Secretary
Membership No-40393

AKARA CAPITAL ADVISORS PRIVATE LIMITED

DIRECTORS' REPORT

Dear Members,

Your Director's take pleasure in presenting the Directors' report on the business and operations of the Company along with summarized financials for the financial Year ended March 31, 2022.

1. Financial Results:

The Company's financial performance for the financial Year ended March 31, 2022 is summarized below:

Particulars	For the year ended March 31, 2022 (in INR)	For the year ended March 31, 2021 (in INR)
Total Income	49,43,17,280.00	21,20,81,896.00
Expenditure	43,61,73,132.00	18,46,30,627.00
Profit/(Loss) before tax	5,49,95,504.00	2,74,51,269.00
Less: Tax Expenses		
Current Tax	1,73,13,251.00	71,84,520.00
Previous Year Tax	0.00	0.00
Deferred Tax charge	(55,64,899.00)	18,56,091.00
Profit /(Loss) for the year after taxation	4,32,47,152.00	1,84,10,658.00

2. State of the Company's Affairs:

Your Company was incorporated on 11th February, 2016 with the Registrar of Companies, Delhi. The Company is engaged in the activities of Finance and is registered with Reserve Bank of India as an NBFC and there is no change in the nature of business of the company during the year under review.

During the Financial Year ended March 31, 2022, your Company earned a revenue of INR 49,43,17,280.00 (Rupees Forty Nine Crores Forty Three Lakhs Seventeen Thousand Two Hundred and Twenty Eight Only) and incurred expenditure of INR 43,61,73,132.00 (Forty-Three Crores Sixty One Lakhs Seventy Three Thousand One Hundred and Thirty-Two Only). However, during the previous financial year ended March 31, 2021, your Company earned INR 21,20,81,896.00 (Rupees Twenty-One Crores Twenty Lakhs Eighty-One Thousand Eight Hundred and Ninety-Six only) and incurred an aggregate expenditure of INR 18,46,30,627.00 (Eighteen Crores Forty-Six Lakhs Thirty Thousand Six Hundred and Twenty-Seven only).

For the financial year ended March 31, 2022, the company made net profit of INR 4,32,47,152.00 (Four Crores Thirty Two Lakhs Forty Seven Thousand One Hundred and Fifty Two Only) and the year ended 31st March, 2021 the company made net profit of INR 1,84,10,658.00 (One Crore Eighty-Four Lakh Ten Thousand Six Hundred and Fifty Eight Only).

3. Dividend:

Although the Company has earned profit, the Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the Company's Dividend Distribution Policy,

AKARA CAPITAL ADVISORS PVT. LTD.

has decided that it would be prudent, not to recommend any dividend for the financial year ended March 31, 2022.

4. Transfer to Reserves:

During the financial year the Company has carried forward Profit & Loss balance of INR 4,32,47,152.00 Four Crores Thirty Two Lakhs Forty Seven Thousand One Hundred and Fifty Two Only) - to surplus during the year and in accordance with the provision of Section 45-IC of the Reserve Bank of India Act, 1934 the company has transferred to statutory Reserve 20% profit after tax i.e. an amount of INR 1,09,99,100.00 (Rupees One Crore Nine Lakhs Ninety-Nine Thousand One Hundred Only)

5. Change in the nature of business, if any:

There has been no change in the nature of business of the Company during financial year under review.

6. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year and the date of the report:

There have been no material changes and/or commitments occurred subsequent to the close of the financial year of the Company to which the balance sheet relates i.e., March 31, 2022 and up to the date of signing of this report, which might affect the financial position of the Company.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There have been no order, whatsoever, passed or issued by any regulators, courts or tribunals, which might affect the going concern status and company's operations in future.

8. Risk Management Policy, development and its implementation:

The Company's Risk Management Policy with a robust supporting risk management framework facilitates identification and assessment of new risks and review of presently identified risks. The process is based on identified risks and the risk events or factors which require regular assessment and quick response. Based on the probability & impact of the risk, the requisite controls and action plans have been designed and implemented. The Key Risk Indicators have been identified to measure the adequacy, effectiveness and efficiency of these, controls and action plans.

9. Internal Control Systems:

The Company's internal control systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

10. Directors' Responsibility Statement:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

AKARA CAPITAL ADVISORS PVT. LTD.

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b) the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) the Directors had prepared the annual accounts on a 'going concern' basis; and
e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Public Deposits:

During the year under review, the Company has not accepted any deposits from the public within the meaning of Companies Act, 2013 and rules made there under.

12.Statutory Auditors:

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, M/s Suri & Sudhir, Chartered Accountants, (FRN 000601N), Delhi were appointed as Statutory Auditors of the Company for the period of 5 years starting from 01/04/2017 to 31/03/2022 in the Annual General Meeting of the Company held in 2017 and their term has been expired. Further, they have given their consent for the re-appointment of another term of 5 years from the financial year 2022-23 to financial year 2026-27 in the ensuing Annual General Meeting

Board's explanation and Comments on Auditors report: The Notes on Accounts read with the Auditors Report are self-explanatory and therefore do not require any further comments or explanations as the Auditor's Report given by auditors of the Company doesn't contain any qualification, reservation, or adverse remarks.

The Statutory Auditors in their report for the financial year ended March 31, 2022 does not refer about any fraud.

13.Cost Auditor:

As per the Section 148(1) of the Companies Act, 2013 the provisions of maintenance of cost records are not applicable on the Company for the Financial Year 2022-22.

14.Secretarial Auditor:

The Company was not required to appoint any Secretarial Auditor in terms of the applicable provisions of section 204 of the Companies Act, 2013 read with relevant rules framed there under during the period under review. Therefore, no secretarial audit report is required to be obtained.

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AKARA CAPITAL ADVISORS PVT. LTD.

15.Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:

The disclosure under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to foregoing matters are as follows.

a. Conservation of Energy:

Since the Company does not own any manufacturing facility, the particulars relating to conservation of Energy and technology absorption in the above rules are not applicable.

b. Technology Absorption:

The Company is not involved in any activity relating to technology absorption.

c. Foreign Exchange Earning & Outgo: (in INR)

The Foreign Exchange earnings & outgo during the year was as follows:

Particulars	2021-22	2020-21
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	-	-

16.Corporate Social Responsibility (CSR):

The provisions pertaining to the Corporate Social Responsibility ("**CSR**") in terms of the section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to the Company for the financial year ended March 31, 2022.

17.Extract of the Annual Return:

MCA vide Notification dated 05.03.2021 (effective from same date) has substituted Rule 12 of Companies (Management and Administration), Rules, 2014 and have done away with the requirement of filing the Extract of the annual return in Form MGT-9.

18.Contracts or Arrangements Made with Related Parties Referred to in Sub-Section (1) of Section 188 of the Act

The Company had entered into the related party contract with EQX Analytics Private Limited in the earlier year(s). The related party transactions took place at arm's length basis in the ordinary course of business. The Contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 are furnished in Annexure -I and is attached to this Report.

19.Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013:

The Company has not entered into any transaction of or given, whether within the prescribed limit or beyond the limit, any loan, guarantee or investments under section 186 of the Companies Act, 2013. Accordingly, no disclosure is required to be made by the Company in this regard.

20.Share Capital:

Share capital of the Company is INR 400,00,00,000/- divided into 40,00,00,000 equity shares of INR 10/- each. The Paid-up share capital of the Company is INR 2,11,19,05,190/- divided into 21,11,90,519 equity shares of INR 10/- each as on 31st March 2022. During the financial year 2021-22, the paid up capital of the company has been changed and the company obtained the necessary RBI approval.

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AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited is a wholly owned subsidiary of Morus Technologies Pte. Ltd. Further, the company has no subsidiary or joint ventures or associate companies.

a. **Sweat Equity shares:**
The Company has not issued any sweat equity shares during the financial year under review.

b. **Issue of further Share Capital:**
The Company has issued 15,21,21,416 equity Shares of INR 10 each during the Financial Year under review and has issued 15,21,21,416 equity shares of INR 10 each to M/s. Morus Technologies PTE LTD through Rights Issue.

c. **Buy back of Shares:**
During the year under review, the Company has not made any offer to buy back its shares.

21.Number of meetings of the Board of Directors:

During the period under review, the Board of Directors of the Company met 25 times. The intervening gap between any two board meetings was within the period prescribed by the Companies Act, 2013 ('Act') and the Articles of Association ('AoA') of the Company. Proper quorum was present at all the Board meetings held. The Board meetings held during the year are mentioned below

S. No.	Date of the Board Meeting	No. of Directors required to attend the BM	No. of Directors attended the BM
1.	14th May, 2021	4	3
2.	25th June, 2021	4	3
3.	24th July, 2021	4	3
4.	21st August, 2021	4	4
5.	09th September, 2021	4	4
6.	15th September, 2021	4	4
7.	24th September, 2021	4	4
8.	29th September, 2021	4	4
9.	22nd October, 2021	4	4
10.	02nd November, 2021	4	4
11.	09th November, 2021	4	4
12.	25th November, 2021	4	4
13.	07th December, 2021	4	4
14.	23rd December, 2021	4	4
15.	25th January, 2022	4	4
16.	03rd February, 2022	4	4
17.	11th February, 2022	4	4
18.	22nd February, 2022	4	4
19.	24th February, 2022	4	4
20.	01st March, 2022	5	5
21.	08th March, 2022	5	5
22.	16th March, 2022	5	5
23.	22nd March, 2022	5	5
24.	29th March, 2022	5	5
25.	31st March, 2022	5	5

AKARA CAPITAL ADVISORS PVT. LTD.

22.Annual General Meeting/ Extra-Ordinary General Meeting:

During the financial year 2021-22, following are the details of the Annual General Meeting ("AGM") and Extra-Ordinary General Meeting ("EGM"):

Sr. No	Type of Meeting	Date of AGM/ EGM	Total Number of Members	Number of Members present
1.	AGM	28th September, 2021	2	2
2.	EGM	25th June, 2021	2	2
3.	EGM	28th February, 2022	2	2

23.Directors and Key Managerial Personnel:

Board of Directors as on 31st March, 2022

The following directors are holding office:

Sr. No.	DIN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Director	11/02/2016
2	03598173	Mr. Satish Chandra Sinha	Director	25/07/2016
3	06867269	Ms. Shruti Aggarwal	Director	11/02/2016
4	01309312	Mr. Radhakrishnan Ramachandra Iyer	Independent Director	03/02/2021
5	09345384	Mr. Vijuy Ronjan	Independent Director	24/02/2022

Key Managerial Personnel

Sr. No.	PAN	Name	Designation	Date of Appointment
1	BBXPP6320D	Paveet Dahiya	Company Secretary	30/03/2018

Ms. Paveet, Company Secretary of the Company resigned with effect from 1st August, 2022 and Ms. Sonia Thakur was appointed as the Company Secretary of the Company with effect from 03rd August, 2022.

24.Changes in Directors and Key Managerial Personnel:

During the year under review, Mr. Vijuy Ronjan was appointed as an Additional Director of the Company in the Board meeting held on 24th February, 2022 and was regularized in the Extra Ordinary General Meeting of the Company dated 28th February, 2022.

25.Managerial Remuneration:

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

26.Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal

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Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Following is the summary of sexual harassment complaints received and disposed-off during the financial year ended March 31, 2021:

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

27.Compliance with Secretarial Standard

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

During the year under review the Company have complied all the secretarial standards issued by the Institute of Company Secretaries of India.

28.Declaration of Independent Directors

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company. However, the Company has appointed Mr. Radhakrishnan Iyer and Mr. Vijuy Ronjan as the Independent Director of the Company and the required declarations have been obtained from them.

29.Company's Policy relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

30.Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

31.Disclosure of Composition of Audit Committee and Providing Vigil Mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

32.Particulars of Employees

During the year none of the employees are in receipt of remuneration of more than INR One Crore and Two Lakhs, or employed for the part of the year under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

33.Adequacy of Internal Financial Control

The details in respect of adequacy of internal financial controls with reference to the Financial Statement as mentioned in Annexure of Auditor Report with respect to section 143 of the Companies Act, 2013.

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AKARA CAPITAL ADVISORS PVT. LTD.

34.Registration as a Systemically Important Non-Deposit taking NBFC

The Company has been registered with the Reserve Bank of India as a Non-Banking Financial Institution (Non-Deposit taking). In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is categorised as a "Systemically Important Non-Deposit taking Non-Banking Financial Company". The Company has not accepted public deposits during the year under review. The company is fulfiling all requirement as per the guidelines issued by RBI.

35. Change of status from NBFC-ND-NSI to NBFC-ND-SI

The Company has crossed the asset size of Rs. 500/- Crores as per the provisional financials dated 31st March, 2022 and thus, as per the Master Circular **DNBR (PD) CC.No.055/03.10.119 /2015-16 dated July 01, 2015** and Revised Regulatory Framework for NBFC Circular **DNBR (PD) CC. No. 002/03.10.001/2014-15 dated November 10, 2014** that defines the criteria for NBFC-ND-SI as follows:

"A non-deposit taking NBFC with an asset size of less than Rs. 500 crore as on balance sheet date might subsequently add on assets before the next balance sheet date due to several reasons including business expansion plan. It is clarified that once an NBFC reaches an asset size of Rs. 500 crore or above, it shall come under the regulatory requirement for NBFCs-ND-SI as stated above, despite not having such assets as on the date of last balance sheet. Therefore, it is advised that all such non-deposit taking NBFCs may comply with RBI regulations issued to NBFC-ND-SI from time to time, as and when they attain an asset size of Rs. 500 crore, irrespective of the date on which such size is attained."

Thus, henceforth our company be deemed as NBFC-ND-SI.

36.Acknowledgements:

The Directors wish to express their gratitude to the business associates, customers, bankers and agencies of union and state government and other stakeholders for their continues support and assistance.

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

Tushar Aggarwal
(Director)
DIN: 01587360
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi – 110054

Shruti Aggarwal
(Director)
DIN: 06867269
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi - 110054

Date: 17th August, 2022
Place: New Delhi

Annexure I

Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and* Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

(a) Name(s) of the related party and nature of relationship:
(b) Nature of contracts/arrangements/transactions:
(c) Duration of the contracts / arrangements/transactions:
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:
(e) Justification for entering into such contracts or arrangements or transactions
(f) Date(s) of approval by the Board:
(g) Amount paid as advances, if any:
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts or arrangement or transactions at arm's length basis:

1. (a) Name(s) of the related party and nature of relationship: EQX Analytics Private Limited (Parties having Significant influence)
   (b) Nature of contracts/arrangements/transactions: Memorandum of Agreement (Availing the Line of Credit by Akara for meeting the financial requirements and for further on-lending to the customers as short-term personal loans for salaried individuals and make all reasonable efforts to recover the same and repaid to the EQX Analytics Private Limited)
   (c) Duration of the contracts / arrangements/transactions: 36 Months
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: On Arm Length Basis
   (e) Date(s) of approval by the Board, if any: 13th March 2020 (Through Resolution by Circulation)
   (f) Amount paid as advances, if any: NIL
2. (a) Name(s) of the related party and nature of relationship: Ms. Shruti Aggarwal (Director)
   (b) Nature of contracts/arrangements/transactions: Remuneration & Reimbursement of Expenses
   (c) Duration of the contracts / arrangements/transactions: Continuous
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
   (e) Date(s) of approval by the Board, if any: NA
   (f) Amount paid as advances, if any: NIL
3. (a) Name(s) of the related party and nature of relationship: Mr. Satish Chandra Sinha (Director)
   (b) Nature of contracts/arrangements/transactions: Director Sitting Fees
   (c) Duration of the contracts / arrangements/transactions: Continuous

AKARA CAPITAL ADVISORS PVT. LTD.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
(e) Date(s) of approval by the Board, if any: NA
(f) Amount paid as advances, if any: NIL

4. (a) Name(s) of the related party and nature of relationship: Mr. Radhakrishnan (Director)
(b) Nature of contracts/arrangements/transactions: Sitting Fees
(c) Duration of the contracts / arrangements/transactions: Continuous
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
(e) Date(s) of approval by the Board, if any: NA
(f) Amount paid as advances, if any: NIL

5. (a) Name(s) of the related party and nature of relationship: Ms. Paveet (KMP)
(b) Nature of contracts/arrangements/transactions: Remuneration
(c) Duration of the contracts / arrangements/transactions: Continuous
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
(e) Date(s) of approval by the Board, if any: NA
(f) Amount paid as advances, if any: NIL

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

Tushar Aggarwal
(Director)
DIN: 01587360
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi – 110054

Shruti Aggarwal
(Director)
DIN: 06867269
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi - 110054

Date: 17th August, 2022
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of **M/s Akara Capital Advisors Private Limited**

Report on the Standalone Financial Statements

We have audited the accompanying financial statements **of "M/s Akara Capital Advisors Private Limited"**("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Emphasis of Matter

We draw attention to the following matters appearing in the Financial Statements

I. Note 27(3)(V) of the financial statements, which states that To provide additional relief, the Government of India announced ex-gratia payment to lenders for waiving off compound interest for loans up to 2 crore for some category of borrowers. The Honourable Supreme Court had directed all banks and financial institutions to refund compound interest, interest on interest or penal interest collected during the moratorium period irrespective of the loan amount and category of borrowers. The Supreme Court also lifted the ban it had imposed on declaring accounts of borrowers as non

SURI & SUDHIR New Delhi Chartered Accountants

performing assets. The company had filed a claim for the Ex Gratia under the scheme for Rs 78,93,585.00. Out of the total amount claimed as refund from Government, The Company has refunded an amount of Rs 3,08,054.26 to the authorities in FY 2021-22 on account of non-identification of specified customers.

II. With effect from 01st April 2021 there has been change in a accounting policy in recognition of income on loan cases exceeding 90 dpd Due to this there is a de-recognition of interest income for FY 20-21 recorded in prior period items in Financial Statements under note no 21 amounting to Rs 29,69,999.00 .

Our opinion is not modified in respect of any of the matters specified above.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies

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Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure B**, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

f. Being a private company, provisions of section 197 are not applicable to the company.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating



effectiveness of the Company's internal financial controls over financial reporting; and

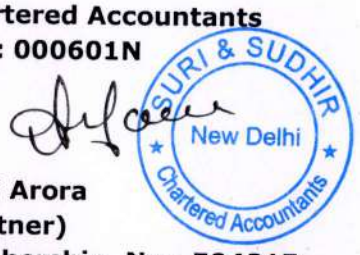
h. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The management has represented that there was a suit filed against the company and its Directors due to an employee's dispute. Consequently the company paid Rs 1,00,000 for its settlement during the previous year

(ii) The company had not entered into any long term contracts including derivative contracts

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Anuj Arora
(Partner)
Membership. No.: 504815

Date: 17-08-2022
Place: New Delhi

UDIN No. 22504815APUIHK2833

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Akara Capital Advisors Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (" the Act")

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting(the"GuidanceNote")issuedbytheICAIandtheStandardsonAuditing prescribedunderSection143(10)oftheCompaniesAct,2013,totheextentapplicabletoanauditofinternalfinancial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Anuj Arora
(Partner)
Memb. No.: 504815

Date: 17-08-2022
Place: New Delhi

UDIN No. 22504815APUIHK2833

Annexure 'B' to the Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Akara Capital Advisors Private Limited

(i)

(a)(A). The company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.

(B). The company has maintained proper records showing full particulars of intangible assets.

(b) All the assets have been physically verified by the management during the year at regular intervals according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

(c) Since the company is not in the possession of any immovable property hence this clause is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) As the Company does not possess any Inventory therefore Para (ii) do not apply.

(b) That the company has not been sanctioned working capital limit from any banks or financial institutions on the basis of security of current assets, therefore clause (ii) (b) is not applicable.

(iii)

(a) Since, the principal business of the Company is to give loans and hence, clause (iii)(a)(A) and (iii)(a)(B) are not applicable.

Since the company has not granted any loan guarantee & securities given to parties covered under Section 189 of the Companies Act, 2013 as at 31st March, 2022, clause (iii)(b), (iii)(c), (iii)(d), (iii)(e), (iii)(f) is not applicable.

(iv) The company has not given any loans & advances to directors and parties covered under section 185 or loans and advances under section 186 of the Companies Act, 2013 and hence the provisions of paragraph (iv) are not applicable to the company.



(v) The Company has not accepted any deposit or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013.Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii)

(a) The company is fairly regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31st March,2022 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of Goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
(b) That no instance or information has come on our records in context to the Company been declared wilful defaulter by any bank or financial institution or government or any government authority.
(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
(e) The company does not have any subsidiaries, Joint venture or associate, therefore clause (ix) (e) is not applicable.
(f) The company does not have any subsidiaries, Joint venture or associate, therefore clause (ix) (f) is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company has not madeany preferential allotment of shares during the year under review and hence compliance with the provisions of Section 42 of Companies Act 2013 is not applicable.



(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) That as represented by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.

(xiv)

(a) The provision of this para is not applicable to the company, therefore clause (xiv) (a) of the order is not applicable.

(b) Internal audit under Section 138 read with rule 13 of company act is not applicable to the company therefore clause (xiv) (b) of the order is not applicable.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them.

(xvi)

(a) The company is required to hold Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934, and they hold a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934 vide certificate no. RBI Reg No. NBFC LC N- 14.03354 / 16/01/2017.

(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the reserve Bank of India Act,1934 and hence the company has conducted all Activities with a valid Certificate.

(c) According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi) (c) is not applicable.

(d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clause (xvi)(d) is not applicable.

(xvii) The company has not incurred cash losses in the current financial year as well as immediately preceding financial year

SURI & SUDHIR
New Delhi
Chartered Accountants

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) As the companies do not meet any of the conditions specified under Section 135 of the Companies Act 2013, hence clause 3(xx)(a) and (b) is not applicable.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Anuj Arora
(Partner)
Membership Number: 504815

Date: 17/08/2022
Place: New Delhi

UDIN No. 22504815APUIHK2833

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AKARA CAPITAL ADVISORS PRIVATE LIMITED

60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI

CIN : U74110DL2016PTC290970

Ph No : 9643309883

Email : cofficer@akaracap.com

(F.Y. 2021-2022)

Balance Sheet as at 31st March 2022

₹ in rupees

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	2,11,19,05,190.00	59,06,91,030.00
Reserves and surplus	2	67,59,12,449.00	17,63,01,049.00
Money received against share warrants		-	-
		2,78,78,17,639.00	**76,69,92,079.00**
Share application money pending allotment		-	**72,750.00**
Non-current liabilities			
Long-term borrowings	3	1,65,29,41,813.00	20,87,12,782.00
Deferred tax liabilities (Net)	4	-	14,13,347.00
Other long term liabilities		-	-
Long-term provisions	5	16,12,903.00	18,91,851.00
		1,65,45,54,716.00	**21,20,17,980.00**
Current liabilities			
Short-term borrowings	3	1,72,92,24,852.00	26,85,47,483.00
Trade payables	7		
(A) Micro enterprises and small enterprises		71,50,059.00	63,76,135.00
(B) Others		1,72,19,140.00	71,72,251.00
Other current liabilities	8	12,72,57,970.00	2,92,25,507.00
Short-term provisions	5	4,08,86,781.00	1,73,06,778.00
		1,92,17,38,802.00	**32,86,28,154.00**
TOTAL		**6,36,41,11,157.00**	**1,30,77,10,963.00**
ASSETS			
Non-current assets			
Property,Plant and Equipment and Intangible assets	9		
Property,Plant and Equipment		12,631.00	19,999.00
Intangible assets		5,89,54,693.00	3,88,25,023.00
Capital work-in-Progress		34,98,876.00	-
Intangible assets under development		-	-
Non-current investments		-	-
Deferred tax assets (net)	4	41,51,552.00	-
Long-term loans and advances	10	10,63,30,972.00	-
Other non-current assets	11	2,72,42,088.00	-
		20,01,90,812.00	**3,88,45,022.00**
Current assets			
Current investments		-	-
Inventories		-	-
Trade receivables	12	23,13,99,178.00	21,12,67,229.00
Cash and cash equivalents	13	56,57,95,820.00	6,28,83,246.00
Short-term loans and advances	10	5,13,57,56,445.00	91,84,31,442.00
Other current assets	14	23,09,68,902.00	7,62,84,024.00
		6,16,39,20,345.00	**1,26,88,65,941.00**
TOTAL		**6,36,41,11,157.00**	**1,30,77,10,963.00**

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

As per our report of even date

For SURI & SUDHIR

Chartered Accountants

(FRN: 000601N)

For and on behalf of the Board of Directors

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 17/08/2022
UDIN: 22504815APUIHK2833

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

SONIA THAKUR
Membership No-40393

AAOCA1452F
AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI
CIN : U74110DL2016PTC290970
Ph No : 9643309883
Email : cofficer@akaracap.com

(F.Y. 2021-2022)

Statement of Profit and loss for the year ended 31st March 2022

₹ in rupees

Particulars	Note No.	31st March 2022	31st March 2021
Revenue			
Revenue from operations	15	49,18,48,893.00	21,01,18,577.00
Less: Excise duty		-	-
Net Sales		**49,18,48,893.00**	**21,01,18,577.00**
Other income	16	24,68,387.00	19,63,319.00
Total Income		**49,43,17,280.00**	**21,20,81,896.00**
Expenses			
Cost of material Consumed		-	-
Purchase of stock-in-trade		-	-
Changes in inventories		-	-
Employee benefit expenses	17	2,76,14,872.00	4,29,94,507.00
Finance costs	18	23,38,17,931.00	4,36,23,291.00
Depreciation and amortization expenses	19	1,13,67,578.00	62,66,931.00
Other expenses	20	16,33,72,751.00	9,17,45,898.00
Total expenses		**43,61,73,132.00**	**18,46,30,627.00**
Profit before exceptional, extraordinary and prior period items and tax		**5,81,44,148.00**	**2,74,51,269.00**
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		**5,81,44,148.00**	**2,74,51,269.00**
Extraordinary items	21	(1,78,645.00)	-
Prior period item	22	(29,69,999.00)	-
Profit before tax		**5,49,95,504.00**	**2,74,51,269.00**
Tax expenses			
Current tax	23	1,73,13,251.00	71,84,520.00
Deferred tax	24	(55,64,899.00)	18,56,091.00
Excess/short provision relating earlier year tax		-	-
Profit(Loss) for the period		**4,32,47,152.00**	**1,84,10,658.00**
Earning per share			
Basic	**25**		
Before extraordinary Items		0.66	0.43
After extraordinary Adjustment		0.65	0.43
Diluted			
Before extraordinary Items		0.40	0.22
After extraordinary Adjustment		0.40	0.22

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

SURI & SUDHIR New Delhi Chartered Accountants

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 17/08/2022
UDIN: 22504815APUIHK2833

For and on behalf of the Board of Directors

AKARA CAPITAL ADVISORS PVT. LTD.

TUSHAR AGGARWAL
Director
DIN: 01587360

AKARA CAPITAL ADVISORS PVT. LTD.

SHRUTI AGGARWAL
Director
DIN: 06867269

AKARA CAPITAL ADVISORS PVT. LTD.

SONIA THAKUR
Membership No-40393

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(F.Y. 2021-2022)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2022

₹ in rupees

	PARTICULARS	31st March 2022	31st March 2021
A.	**Cash Flow From Operating Activities**		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	**5,51,74,149.00**	**2,74,51,269.00**
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	1,13,67,578.00	62,66,931.00
	Finance Cost	23,38,17,931.00	4,36,23,291.00
	Adjustments for unrealised foreign exchange Losses / (Gains)	29.00	(29.00)
	Interest received	(16,74,724.00)	(4,18,796.00)
	Other Inflows / (Outflows) of cash	45,60,85,300.00	8,18,16,613.00
	Operating profits before Working Capital Changes	**75,47,70,263.00**	**15,87,39,279.00**
	Adjusted For:		
	(Increase) / Decrease in trade receivables	(62,32,147.00)	(22,42,16,316.00)
	Increase / (Decrease) in trade payables	(30,78,989.00)	(22,71,14,861.00)
	Increase / (Decrease) in other current liabilities	11,14,83,735.00	(65,93,920.00)
	(Increase) / Decrease in Short Term Loans & Advances	(4,21,73,25,003.00)	6,20,37,843.00
	(Increase) / Decrease in other current assets	(15,46,84,907.00)	(1,91,15,344.00)
	Cash generated from Operations	**(3,51,50,67,048.00)**	**(25,62,63,319.00)**
	Income Tax (Paid) / Refund	(71,84,520.00)	(34,07,423.00)
	Net cash flow from operating activities before extraordinary items	**(3,52,22,51,568.00)**	**(25,96,70,742.00)**
	Payment for extraordinary items	(1,78,645.00)	-
	Net Cash flow from Operating Activities(A)	**(3,52,24,30,213.00)**	**(25,96,70,742.00)**
B.	**Cash Flow From Investing Activities**		
	Proceeds from sales of tangible assets	-	25,70,095.00
	Interest Received	16,74,724.00	4,18,796.00
	Purchase of intangible assets	(3,49,88,756.00)	(3,20,87,417.00)
	Cash advances and loans made to other parties	(10,63,30,972.00)	-
	Other Inflow / (Outflows) of cash	(2,72,42,088.00)	-
	Net Cash used in Investing Activities(B)	**(16,68,87,092.00)**	**(2,90,98,526.00)**
C.	**Cash Flow From Financing Activities**		
	Finance Cost	(23,38,17,931.00)	(4,36,23,291.00)
	Increase in / (Repayment) of Short term Borrowings	1,38,06,77,369.00	1,74,87,423.00
	Increase in / (Repayment) of Long term borrowings	1,52,42,29,031.00	9,60,51,123.00
	Increase / (Decrease) in share capital	1,52,12,14,160.00	26,76,14,410.00
	Increase / (Decrease) in share application money pending allotment	(72,750.00)	72,750.00
	Net Cash used in Financing Activities(C)	**4,19,22,29,879.00**	**33,76,02,415.00**
D.	**Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)**	**50,29,12,574.00**	**4,88,33,147.00**
E.	Cash & Cash Equivalents at Beginning of period	6,28,83,246.00	1,40,50,099.00
F.	Cash & Cash Equivalents at End of period	56,57,95,820.00	6,28,83,246.00
G.	**Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)**	**50,29,12,574.00**	**4,88,33,147.00**

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

SURI & SUDHIR New Delhi Chartered Accountants

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 17/08/2022
UDIN: 22504815APUIHK2833

AKARA CAPITAL ADVISORS PVT. LTD.

TUSHAR AGGARWAL
Director
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Director
DIN: 06867269

For and on behalf of the Board of Directors

AKARA CAPITAL ADVISORS LTD.

SONIA THAKUR
Membership No-40393

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(F.Y. 2021-2022)

Notes to Financial statements for the year ended 31st March 2022
The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Note No. 1 Share Capital

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Authorised :		
4000000000 (31/03/2022):100000000 (31/03/2021) Equity shares of Rs. 10.00/- par value	4,00,00,00,000.00	1,00,00,00,000.00
Issued :		
211190519 (31/03/2022):59069103(31/03/2021) Equity shares of Rs. 10.00/- par value	2,11,19,05,190.00	59,06,91,030.00
Subscribed and paid-up :		
211190519 (31/03/2022):59069103(31-03-2021) Equity shares of Rs. 10.00/- par value	2,11,19,05,190.00	59,06,91,030.00
Total	**2,11,19,05,190.00**	**59,06,91,030.00**

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares

₹ in rupees

	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	5,90,69,103	59,06,91,030.00	3,23,07,662	32,30,76,620.00
Issued during the Period				
Right Issue	15,21,21,416	1,52,12,14,160.00		
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	**21,11,90,519**	**2,11,19,05,190.00**	**5,90,69,103**	**59,06,91,030.00**

Right, Preferences and Restriction attached to shares

Equity shares

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Shares held by Holding/Ultimate holding company and/or their subsidiaries/associates

Note: Morus Technologies Pte Limited having its registered premises in Singapore is the Holding Company of Akara Capital Advisors Private Limited.

Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2022		As at 31st March 2021	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Morus Technologies Pte Limited	21,11,90,419	99.99	5,90,69,003	99.99
	Total :	**21,11,90,419**	**100.00**	**5,90,69,003**	**100.00**

Note: During the year, there has been a change in shareholding of the company by virtue of right issue. However the shareholding pattern remains the same.

Details of shares held by Promoters

		Current Year					Previous Year				
		Shares at beginning		Shares at end		% Change	Shares at beginning		Shares at end		% Change
Promoter name	Particulars	Number	%	Number	%		Number	%	Number	%	
SHRUTI AGGARWAL	Equity [NV: 10.00]	100	0.00	100	0.00	0.00	100	0.00	100	0.00	0.00
Morus Technologies Pte Limited	Equity [NV: 10.00]	59069003	100.00	211190419	100.00	0.00	32307562	54.69	59069003	100.00	45.31

SURI & SUDHIR New Delhi Chartered Accountants

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Note No. 2 Reserves and surplus

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Surplus		
Opening Balance	2,05,20,697.59	76,00,293.59
Add: Profit for the year	4,32,47,152.00	1,84,10,658.00
Less: Transfer to Special Reserve	(1,09,99,100.00)	(54,90,254.00)
Closing Balance	**5,27,68,749.59**	**2,05,20,697.59**
Securities premium		
Opening Balance	14,72,07,335.00	6,69,23,012.00
Add: Addition during the year	45,63,64,248.00	8,02,84,323.00
Less : Deletion during the year	-	-
Closing Balance	**60,35,71,583.00**	**14,72,07,335.00**
Reserves u/s 45I(C)		
Opening Balance	85,73,016.41	30,82,762.41
Add: Addition during the year	1,09,99,100.00	54,90,254.00
Less : Deletion during the year	-	-
Closing Balance	**1,95,72,116.41**	**85,73,016.41**
Balance carried to balance sheet	**67,59,12,449.00**	**17,63,01,049.00**

Note No. 3 Long-term borrowings

₹ in rupees

	As at 31st March 2022			As at 31st March 2021		
Particulars	**Non-Current**	**Current Maturities**	**Total**	**Non-Current**	**Current Maturities**	**Total**
Bonds/debentures						
Non Convertible Debentures Unlisted secured	52,00,00,000.00	8,00,00,000.00	60,00,00,000.00	-	-	-
	52,00,00,000.00	**8,00,00,000.00**	**60,00,00,000.00**	-	-	-
Term Loan - From banks						
Term Loan from Banks secured	-	2,49,99,998.00	2,49,99,998.00	-	7,50,00,000.00	7,50,00,000.00
	-	**2,49,99,998.00**	**2,49,99,998.00**	-	**7,50,00,000.00**	**7,50,00,000.00**
Term Loan - From Others						
Term Loan from Others secured	1,13,29,41,813.00	1,62,42,24,854.00	2,75,71,66,667.00	20,87,12,782.00	17,60,60,062.00	38,47,72,844.00
	1,13,29,41,813.00	**1,62,42,24,854.00**	**2,75,71,66,667.00**	**20,87,12,782.00**	**17,60,60,062.00**	**38,47,72,844.00**
Loans and advances from related parties						
Inter corporate borrowings unsecured	-	-	-	-	1,74,87,421.00	1,74,87,421.00
	-	-	-	-	**1,74,87,421.00**	**1,74,87,421.00**
The Above Amount Includes						
Secured Borrowings	1,65,29,41,813.00	1,72,92,24,852.00	3,38,21,66,665.00	20,87,12,782.00	25,10,60,062.00	45,97,72,844.00
Unsecured Borrowings	-	-	-	-	1,74,87,421.00	1,74,87,421.00
Amount Disclosed Under the Head "Other Current Liabilities"(Note No 8)		(1,72,92,24,852.00)	(1,72,92,24,852.00)		(26,85,47,483.00)	(26,85,47,483.00)
Net Amount	**1,65,29,41,813.00**	**0**	**1,65,29,41,813.00**	**20,87,12,782.00**	**0**	**20,87,12,782.00**

Note No. 4 Deferred Tax

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred tax liability		
Deferred Tax Liability	-	14,13,347.00
Gross deferred tax liability	-	**14,13,347.00**
Deferred tax assets		
Deferred Tax Assets	41,51,552.00	-
Gross deferred tax asset	**41,51,552.00**	-
Net deferred tax assets	**41,51,552.00**	-
Net deferred tax liability	-	**14,13,347.00**

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(F.Y. 2021-2022)

₹ in rupees

Note No. 5 Provisions

Particulars	As at 31st March 2022			As at 31st March 2021		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Gratuity	16,12,903.00	40,191.00	16,53,094.00	18,91,851.00	5,095.00	18,96,946.00
Provision for Leave Encashment	-	8,36,183.00	8,36,183.00	-	18,80,878.00	18,80,878.00
	16,12,903.00	**8,76,374.00**	**24,89,277.00**	**18,91,851.00**	**18,85,973.00**	**37,77,824.00**
Other provisions						
Audit fees payable	-	5,40,000.00	5,40,000.00	-	3,83,875.00	3,83,875.00
Expenses Payable	-	91,39,120.00	91,39,120.00	-	55,56,331.00	55,56,331.00
NPA Provision	-	1,28,39,391.00	1,28,39,391.00	-	22,96,079.00	22,96,079.00
Provision for Income Tax	-	1,73,13,251.00	1,73,13,251.00	-	71,84,520.00	71,84,520.00
MSME Payable	-	1,78,645.00	1,78,645.00	-	-	-
	-	**4,00,10,407.00**	**4,00,10,407.00**	**-**	**1,54,20,805.00**	**1,54,20,805.00**
Total	**16,12,903.00**	**4,08,86,781.00**	**4,24,99,684.00**	**18,91,851.00**	**1,73,06,778.00**	**1,91,98,629.00**

Note No. 7 Trade payables

₹ in rupees

Particulars	As at 31st March 2022	As at31st March 2021
(A) Micro enterprises and small enterprises		
Sundry Creditors	71,50,059.00	63,76,135.00
	71,50,059.00	**63,76,135.00**
(B) Others		
Sundry creditors	1,72,19,140.00	71,72,251.00
	1,72,19,140.00	**71,72,251.00**
Total	**2,43,69,199.00**	**1,35,48,386.00**

Trade Payables Ageing Schedule

₹ in rupees

	Current Year					Previous Year				
Particular	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
MSME	7150059.00				7150059.00	6376135.00				6376135.00
Others	15991666.00	642578.00			16634244.00	6316475.00	192380.00		78500.00	6587355.00
Disputed Dues-MSME					0.00					0.00
Disputed-Others	0.00	584896.00			584896.00		584896.00			584896.00

Note No. 8 Other current liabilities

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Others payables		
Amount yet to be disbursed	4,61,76,520.00	1,06,50,753.00
Interest Payable	1,36,27,014.00	13,13,493.00
Collection from Customers	34,71,537.00	76,98,519.00
Employee Reimbursement Payable	2,92,218.00	16,637.00
Director Reimbursement Payable	-	5,63,761.00
TDS Payable	77,36,427.00	28,43,666.00
Financial Liabilities- PTC	3,84,82,987.00	-
GST Payable	1,47,80,399.00	1,24,216.00
Salary Payable	26,52,693.00	59,21,530.00
PF Payable	37,500.00	89,174.00
ESI Payable	675.00	3,758.00
	12,72,57,970.00	**2,92,25,507.00**
Total	**12,72,57,970.00**	**2,92,25,507.00**

SURI & SUDHIR New Delhi Chartered Accountants

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(F.Y. 2021-2022)

Note No. 9 Property, Plant and Equipment and Intangible assets as at 31st March 2022

₹ in rupees

	Assets		Gross Block					Accumulated Depreciation/ Amortisation				Net Block	
		Useful Life (In Years)	Balance as at 1st April 2021	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2022	Balance as at 1st April 2021	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2022	Balance as at 31st March 2022	Balance as at 31st March 2021
A	**Tangible assets**												
	Own Assets												
	CPU	3.00	11,547.00	-	-	-	11,547.00	10,970.00	-	-	10,970.00	577.00	577.00
	Dinstar GSM Gateway	3.00	1,84,210.00	-	-	-	1,84,210.00	1,67,633.00	7,368.00	-	1,75,001.00	9,209.00	16,577.00
	Computer	3.00	14,537.00	-	-	-	14,537.00	13,810.00	-	-	13,810.00	727.00	727.00
	Office Equipments	5.00	42,353.00	-	-	-	42,353.00	40,235.00	-	-	40,235.00	2,118.00	2,118.00
	Total (A)		**2,52,647.00**	**-**	**-**	**-**	**2,52,647.00**	**2,32,648.00**	**7,368.00**	**-**	**2,40,016.00**	**12,631.00**	**19,999.00**
	P.Y Total		**2,52,647.00**	**-**	**-**	**-**	**2,52,647.00**	**1,65,821.00**	**66,827.00**	**-**	**2,32,648.00**	**19,999.00**	**86,826.00**
B	**Intangible assets**												
	Intangible assets		4,72,96,505.00	3,14,89,880.00	-	-	7,87,86,385.00	84,71,482.00	1,13,60,210.00	-	1,98,31,692.00	5,89,54,693.00	3,88,25,023.00
	Total (B)		**4,72,96,505.00**	**3,14,89,880.00**	**-**	**-**	**7,87,86,385.00**	**84,71,482.00**	**1,13,60,210.00**	**-**	**1,98,31,692.00**	**5,89,54,693.00**	**3,88,25,023.00**
	P.Y Total		**1,52,09,088.00**	**3,20,87,417.00**	**-**	**-**	**4,72,96,505.00**	**22,71,378.00**	**62,00,104.00**	**-**	**84,71,482.00**	**3,88,25,023.00**	**1,29,37,710.00**
C	**Capital work in progress**												
	Capital Work in Progress		-	34,98,876.00	-	-	34,98,876.00	-	-	-	-	34,98,876.00	-
	Total (C)		**-**	**34,98,876.00**	**-**	**-**	**34,98,876.00**	**-**	**-**	**-**	**-**	**34,98,876.00**	**-**
	P.Y Total		**25,70,095.00**	**-**	**-**	**25,70,095.00**	**-**	**-**	**-**	**-**	**-**	**-**	**25,70,095.00**
	Current Year Total (A + B + C)		**4,75,49,152.00**	**3,49,88,756.00**	**-**	**-**	**8,25,37,908.00**	**87,04,130.00**	**1,13,67,578.00**	**-**	**2,00,71,708.00**	**6,24,66,200.00**	**3,88,45,022.00**
	Previous Year Total		**1,80,31,830.00**	**3,20,87,417.00**	**-**	**25,70,095.00**	**4,75,49,152.00**	**24,37,199.00**	**62,66,931.00**	**-**	**87,04,130.00**	**3,88,45,022.00**	**1,55,94,631.00**

General Notes :

1. No depreciation if remaining useful life is negative or zero.
2. Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.
3. If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

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AKARA CAPITAL ADVISORS PRIVATE LIMITED
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CIN : U74110DL2016PTC290970
Ph No : 9643309883
Email : cofficer@akaracap.com

(F.Y. 2021-2022)

Note No. 10 Loans and advances

₹ in rupees

Particulars	As at 31st March 2022		As at 31st March 2021	
	Long-term	Short-term	Long-term	Short-term
Capital Advances				
Secured, considered good	10,63,30,972.00	-	-	-
	10,63,30,972.00	-	-	-
Other loans and advances				
Unsecured, considered good(Head)	-	5,13,57,56,445.00	-	91,84,31,442.00
	-	**5,13,57,56,445.00**	-	**91,84,31,442.00**
Total	**10,63,30,972.00**	**5,13,57,56,445.00**	-	**91,84,31,442.00**

Standard Asset: Asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to a business. Loans & advances without any specific stipulation for immediate repayment shall become due upon mutually agreed correspondence for repayment.

Sub Standard Asset: Asset in respect of which repayment is due for a period greater than 180 days and it remain due for a period up to 365 days.

Provision for Portfolio

Provisions for Loan Portfolio are made as per the Prudential Master Circular- Introduction of New Category of NBFCs - 'Non-Banking Financial Company-Non-Systemically Important Non-Deposit Taking Company Reserve Bank Directions' 2016 vide RBI/DNBR/2016-17/44 Master Direction DNBR.PD.007/03.10.119/2016-17 updated as on July 22, 2022.

The Amount of provision accounted in books is computed as follows:-

Type of asset	DPD	Loan Book as on Mar22	Provision	Provision	Opening Balance	Provision To be Created
Standard Asset	0-180	5,13,57,56,444	0.25%	1,28,39,391	22,96,078.61	1,05,43,313
Sub- Standard	181-546	-	10%	-		
Sub- Standard	546-911	-	20%	-	-	-
Doubtful Asset 1	911-1276	-	30%	-	-	-
Doubtful Asset 2	1276-1641	-	50%	-		
Doubtful Asset 3	1276-1641	-	50%			
Total loan book outstanding		**5,13,57,56,444**		**1,28,39,391**	**22,96,079**	**1,05,43,313**

Note No. 10(a) Loans and advances : Other loans and advances: Unsecured, considered good(Head)

₹ in rupees

Particulars	As at 31st March 2022		As at 31st March 2021	
	Long-term	Short-term	Long-term	Short-term
Loan Portfolio	-	5,13,57,56,445.00	-	91,84,31,442.00
Total	-	**5,13,57,56,445.00**	-	**91,84,31,442.00**

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Loans and Advances from Directors/Promoters

Details of Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand.

(Without specifying any terms or period of repayment)

	Current Year		Previous Year	
Type of Borrower	Amount	Percentage	Amount	Percentage
Total	**0**		**0**	

Note No. 11 Other non-current assets

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Non-Current Bank Balance (Note No.:13)	**2,72,42,088.00**	-
Other Assets		
Total	**2,72,42,088.00**	-

Note No. 12 Trade receivables
(Current Year)

₹ in rupees

Particulars	Outstanding for following periods from due date of payment#					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables (considered good)	23,04,48,463.00	-	-	-	-	23,04,48,463.00
(ii) Undisputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	9,50,715.00	-	-	-	9,50,715.00

Note No. 12 Trade receivables
(Previous Year)

₹ in rupees

Particulars	Outstanding for following periods from due date of payment#					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables (considered good)	21,03,16,514.00	-	-	-	-	21,03,16,514.00
(ii) Undisputed Trade Receivables (considered doubtful)	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	9,50,715.00	-	-	-	9,50,715.00

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Secured, Considered good	-	-
Unsecured, Considered Good	23,04,48,463.00	21,03,16,514.00
Doubtful	9,50,715.00	9,50,715.00
Total	**23,13,99,178.00**	21,12,67,229.00

Note No. 13 Cash and cash equivalents

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Balance with banks		
Escrow A/C	7,96,59,363.00	4,65,00,297.00
Balance with Banks	46,41,25,778.00	1,63,52,949.00
Total	**54,37,85,141.00**	**6,28,53,246.00**
Cash in hand		
Cash in hand	30,000.00	30,000.00
Total	**30,000.00**	**30,000.00**
Other		
Fixed Deposits	2,19,80,679.00	-
Total	**2,19,80,679.00**	-
Total	**56,57,95,820.00**	**6,28,83,246.00**

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(F.Y. 2021-2022)

Note No. 14 Other current assets

₹ in rupees

Particulars	As at 31st March 2022	As at 31st March 2021
Other Assets		
Prepaid Expenses	1,42,66,925.00	57,969.00
GST Input	4,70,46,666.00	3,27,55,204.00
Accrued interest on loan	2,87,09,874.00	2,03,36,587.00
Advance to Suppliers	86,58,523.00	1,200.00
Other Receivables	13,21,21,243.00	1,43,50,241.00
TDS Unconsumed	-	8,51,479.00
TDS Receivable	1,65,671.00	37,759.00
Ex Gratia Receivable	-	78,93,585.00
Total	**23,09,68,902.00**	**7,62,84,024.00**

Note No. 15 Revenue from operations

₹ in rupees

Particulars	31st March 2022	31st March 2021
Interest income from operations	48,66,31,556.00	20,26,88,954.00
Other financial services		
Bad Debts Recovered	48,39,188.00	73,82,505.00
Bounce Charges	27,966.00	47,118.00
Other Fee	3,50,183.00	-
	52,17,337.00	**74,29,623.00**
Net revenue from operations	**49,18,48,893.00**	**21,01,18,577.00**

Note No. 16 Other income

₹ in rupees

Particulars	31st March 2022	31st March 2021
Interest Income		
Interest on Fixed Deposits	15,67,298.00	4,18,796.00
Interest on Cash Margin to Lender	1,07,426.00	-
	16,74,724.00	**4,18,796.00**
Other non-operating income		
Foreign exchange Fluctuation	-	29.00
Balance Written off	5,49,811.00	6,13,920.00
Excess Provision Reversal	2,43,852.00	9,30,574.00
	7,93,663.00	**15,44,523.00**
Total	**24,68,387.00**	**19,63,319.00**

Note No. 17 Employee benefit expenses

₹ in rupees

Particulars	31st March 2022	31st March 2021
Salaries and wages		
Salary and wages	2,20,08,051.00	2,72,35,356.00
Leave encashment	5,37,598.00	21,58,086.00
Director Remuneration	47,37,384.00	1,32,11,700.00
	2,72,78,033.00	**4,26,05,142.00**
Contribution to provident and other fund		
Employer Contribution ESI	14,479.00	26,771.00
Employer Contribution PF	3,16,000.00	3,26,660.00
	3,30,479.00	**3,53,431.00**
Staff welfare Expenses		
Staff Welfare Expenses	6,360.00	35,934.00
	6,360.00	**35,934.00**
Total	**2,76,14,872.00**	**4,29,94,507.00**

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Note No. 18 Finance costs

₹ in rupees

Particulars	31st March 2022	31st March 2021
Interest		
Interest on long-term loans from banks and Others.	16,70,21,718.00	4,29,74,512.00
Interest on Debt Securities	40,95,890.00	-
	17,11,17,608.00	**4,29,74,512.00**
Other Borrowing costs		
Other Borrowing Expenses	6,27,00,323.00	6,48,779.00
	6,27,00,323.00	**6,48,779.00**
Total	**23,38,17,931.00**	**4,36,23,291.00**

Note No. 19 Depreciation and amortization expenses

₹ in rupees

Particulars	31st March 2022	31st March 2021
Depreciation on tangible assets	7,368.00	66,827.00
Amortisation on intangible assets	1,13,60,210.00	62,00,104.00
Total	**1,13,67,578.00**	**62,66,931.00**

Note No. 20 Other expenses

₹ in rupees

Particulars	31st March 2022	31st March 2021
Audit fees	7,00,000.00	4,15,000.00
Other consultancy fees	3,78,000.00	50,000.00
Bank charges	37,83,418.00	24,08,141.00
ROC Fees	35,09,800.00	5,97,200.00
Professional fees	1,48,65,606.00	1,76,43,833.00
Credit Rating expenses	1,73,18,354.00	1,39,35,644.00
NPA Provision	1,05,43,312.00	-
Bank Statement Analysis Expenses	97,18,322.00	24,57,534.00
Advertisement and Business Promotion Expenses	23,853.00	1,50,046.00
Commission	5,11,72,963.00	2,59,84,327.00
Directors sitting fees	15,00,000.00	4,96,875.00
Printing and stationery	15,000.00	38,125.00
Interest and Penalties on Statutory Payments	94,681.00	4,04,012.00
Provision For Gratuity	-	14,75,795.00
Manpower Expenses	70,26,253.00	2,00,000.00
Travel and Boarding and Lodging Expenses	6,16,404.00	92,089.00
Marketing expenses	88,13,569.00	2,64,453.00
Annual fees	92,000.00	11,781.00
GST 50% Credit (expense)	1,55,08,967.00	79,91,512.00
Technologies Expenses	13,500.00	23,899.00
Bad debts- Less than Rs 1,00,000	-	20,00,870.00
Office Expenses	96,286.00	19,300.00
Collection and Recovery Expenses	71,38,175.00	1,19,93,206.00
Physical and Tele Verification Expenses	10,97,182.00	4,64,647.00
Legal expenses	52,35,864.00	5,55,310.00
Insurance expenses	42,797.00	42,799.00
Rent and Infra Sharing Expenses	40,67,500.00	20,29,500.00
Forex Loss	945.00	-
Total	**16,33,72,751.00**	**9,17,45,898.00**

Note No. 21 Extraordinary items

₹ in rupees

Particulars	31st March 2022	31st March 2021
other extraordinary expenses	(1,78,645.00)	-
Total	**(1,78,645.00)**	**-**

Note No. 21(a) Extraordinary items:other extraordinary expenses

₹ in rupees

Particulars	31st March 2022
Interest on MSME Creditors	(1,78,645.00)
Total	**(1,78,645.00)**

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Note No. 22 Prior period item

₹ in rupees

Particulars	31st March 2022	31st March 2021
Impact of Change in Accounting policy	(29,69,999.00)	-
Total	**(29,69,999.00)**	-

Note No. 23 Current tax

₹ in rupees

Particulars	31st March 2022	31st March 2021
Current tax pertaining to current year	1,73,13,251.00	71,84,520.00
Total	**1,73,13,251.00**	**71,84,520.00**

Note No. 24 Deferred tax

₹ in rupees

Particulars	31st March 2022	31st March 2021
Deferred Tax Asset	(41,51,552.00)	4,42,745.00
Deferred Tax Liability	(14,13,347.00)	14,13,346.00
Total	**(55,64,899.00)**	**18,56,091.00**

Note No. 25 Earning Per Share

₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Basic				
Profit after tax (A)	4,34,25,797.00	1,84,10,658.00	4,32,47,152.00	1,84,10,658.00
Weighted average number of shares outstanding (B)	6,61,70,826	4,27,99,076	6,61,70,826	4,27,99,076
Basic EPS (A / B)	0.66	0.43	0.65	0.43
Diluted				
Profit after tax (A)	4,34,25,797.00	1,84,10,658.00	4,32,47,152.00	1,84,10,658.00
Weighted average number of shares outstanding	6,61,70,826	4,27,99,076	6,61,70,826	4,27,99,076
Adjustments:				
Others	4,27,99,076	4,27,99,076	4,27,99,076	4,27,99,076
Weighted average number of shares outstanding for diluted EPS after above adjustments (B)	10,89,69,902	8,55,98,152	10,89,69,902	8,55,98,152
Diluted EPS (A / B)	0.40	0.22	0.40	0.22
Face value per share	10.00	10.00	10.00	10.00

Note No.: 26 **Additional Regulatory Information**

I. Title Deeds of Immovable Property not held in the name of the Company

The company does not possess any immovable property in the books.

II. Revaluation of Property, Plant and Equipment and Right-of-Use Assets

The company does not possess any Property, Plant and Equipment in the books.

III. Loans or Advances in the nature of Loans to specified persons (promoters, directors, KMPs, related parties) that are:

a. Repayable on Demand or

b. Without specifying any terms or period of repayment

S.No.	Type of Borrower	As at March 31, 2022		As at March 31, 2021	
		Amount of loans or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loans or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
1.	Promoters	-	-	-	-
2.	Directors	-	-	-	-
3.	Key Management Personnel	-	-	-	-
4.	Related parties	-	-	-	-

There are no Loans or Advances which are granted to specified persons during the previous financial year.

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IV. Capital Work-in-Progress (CWIP)

The company possess capital work in progress amounting to Rs 34,98,876.00

V. Intangible Assets under Development

The company does not possess any intangible assets under development.

VI. Details of Benami Properties held

No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

VII. Borrowings secured against Current Assets

The Company has availed borrowings from Banks and Financial Institutions on the basis of security of current assets (Book Debts)

VIII. Willful Defaulter

The Company has timely repaid the installments due from Banks and Financial Institutions.

IX. Relationship with Struck off Companies

The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

X. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period.

XI. Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.

XII. The following Ratios to be disclosed:

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	3.21	3.86	-16.84	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.28	0.70	81.99	
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortisation	Total principal + Interest on Borrowings	0.15	0.28	-10.63	
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholders' Equity	0.02	0.03	-33.33	
(e) Inventory turnover ratio	Turnover[Note-1]	Average Inventory	0.00	0.00	0.00	
(f)Trade Receivables turnover ratio	Net Credit Sales[Note-2]	Average Trade Receivable	0.00	0.00	0.00	
(g) Trade payables turnover ratio	Net Credit Purchase[Note-2]	Average Trade Payable	0.00	0.00	0.00	
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.11	0.22	-50.00	
(i) Net profit ratio	Net Profit	Net Sales	0.09	0.09	0.00	
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	0.05	0.07	-28.57	
(k) Return on investment	Net Return on Investment	Cost of Investment	0.03	0.00	100.00	

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Note-1 The Company is engaged in service sector hence do not possess any inventory and this ratio is not being computed.

Note-2 The Company has not incurred credit sales or credit purchases during FY 21-22 and FY 20-21, hence this ratio is not being computed.

XIII. Compliance with approved Schemes of Arrangements

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

XIV. Utilisation of Borrowed funds and Share Premium

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

XV. Corporate Social Responsibility (CSR)-Not Applicable

XVI. Details of Crypto Currency or Virtual Currency-Not Applicable

XVII. Previous year figures have been regrouped/ rearranged wherever necessary.

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Notes to financial statements for the year ended March 31, 2022

Note no. 27

1. COMPANY BACKGROUND

M/s Akara Capital Advisors Private Limited was incorporated on 11-02-2016 under the Companies Act 2013. The company was registered as a Non-Deposit taking Non-Banking Financial Company under section 45IA of the Reserve Bank of India (RBI) Act 1934.

The Authorized Share Capital of the company is Rs. 4,00,00,00,000.00 divided into 40,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per shares at all times. The Subscribed Share Capital of the company is Rs. 2,11,19,05,190.00 divided into 2,11,19,05,19 ordinary equity shares of Rs. 10/- carrying one voting rights per shares at all times.

The company is a wholly owned subsidiary of Morus Technologies Pte Ltd having a shareholding of Rs.2,11,19,04,190.00 in the entire share capital of Akara Capital Advisors Private Limited.

The Company's registered office is at 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi 110003. In addition, company operates from Khasra no. 337, 1st Floor, CRC-II, M G Road, Sultanpur, Mehrauli, South West Delhi, Delhi, 110030.

Nature of Operations

Akara Capital Advisors Private Limited. ("The Company") is primarily engaged in business of lending activities for providing loans.

2. SIGNIFICANT ACCOUNTING POLICIES

A. **Basis of Preparation of Financial Statements**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and the provisions of the Reserve Bank of India as applicable to a non-banking financial company. Financial Statements have been prepared under the historical cost convention on an accrual basis of accounting.

B. **Use of Estimates**

The preparation of financial statements, in accordance with the Generally Accepted Accounting Principles, require the management to make estimates and assumptions that effect the reported amounts of assets and liabilities,

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AKARA CAPITAL ADVISORS PVT. LTD.

disclosure of contingent liabilities at the date of financial statements, reported amount of expenses and revenues of the year and the amortized amount of preliminary expenditure of the year. Estimates and underlining assumptions are reviewed on ongoing basis. Actual results could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future at the date of the financial statements.

C. **Current-Non-Current Classification**

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. It is to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is expected to be realized within 12 months after the reporting date; or
iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non- current financial assets. All other assets are classified as Non- current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. It is expected to be settled in the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is due to be settled within 12 months after the reporting date;or
iv. The company does not have an unconditional right to defer the settlement of liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non- current financial liabilities. All other liabilities are classified as non-current.

Operating Cycle

Company has ascertained its operating cycle as 12 months that is the time gap between the acquisition of assets for processing and their realization in cash or cash equivalents.

D. **Cash & Cash Equivalents**

Cash & cash equivalents for the purpose of cash flow statement comprises cash in hand, cash in bank, fixed deposits and other short term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

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Notes to financial statements for the year ended March 31, 2022

E. **Cash Flow Statement**

Cash flow are reported using the indirect method whereby cash flows from operating, investing & financing activities of the company are segregated and profit before tax is adjusted for the effect of transactions of non-cash nature or any deferrals or accruals of past or future cash receipts or payments.

F. **Property, Plant & Equipment**

Property, Plant & Equipment comprising both tangible and intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

G. **Depreciation**

Depreciation on all fixed assets of the Company is provided on Straight Line Method at the rates specified in schedule II of the Companies Act, 2013.

H. **Borrowing Costs**

The Company has incurred borrowing cost during the Financial Year. The Borrowing Cost has been incurred on the loan facility availed from various lenders. The total expense amount incurred on account of interest and other related costs for the period ending 31st March 2022 is **Rs. 23,38,17,931.00.**

I. **Impairment of Assets**

The Company identifies Impaired assets based on individual assets or cash generating unit concept at the year-end in terms of Para 5.13 of AS-28 issued by the ICAI for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged against revenue of the year.

J. **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

I. Interest income on all loans upto 90 days is recognized under accrual basis. Beyond that or in case of any default on loan repayment interest income is recognized only when realized.

II. Processing fees on loans are recognized on upfront basis in the books of IT Service Provider as platform fees. (The IT Service Company provides a customer interface with Akara Capital Advisors Private Limited).

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III. In the cases the loans falls due over 150 days, the principal outstanding and interest received as and when are transferred to the books of IT service provider.

IV. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.

V. Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rates.

VI. Dividend income is accounted when the right to receive dividend is established

All other income is recognized on an accrual basis.

The company has reported accrued interest income on loans amounting to **Rs. 3,08,10,646.85.** The Revenue is recognized for Interest Accrued but not received on Standard Asset upto 90 days till the period ended 31st March 2022.

With effect from 01st April 2021 there has been a change in accounting policy in recognition of income on loan cases exceeding 90 dpd where the collections made on such cases are first settled against principal outstanding and if any excess collection over principal outstanding will be allocated over interest income or other charges (if any) Due to this there is a de-recognition of interest income for FY 20-21 recorded in prior period items in Financial Statements under note no 21 amounting to Rs 29,69,999.00

K. **Classification of Loan Portfolio and provisioning policy**

Loan portfolio is classified and provision is made in accordance with the Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Directions, 2015 issued by Reserve Bank of India as mentioned below-

The Loan Portfolio maintained in the books is inclusive of amount yet to be disbursed shown in current liabilities.

Asset Classification

The Company after taking into account the degree of defined credit weaknesses and extent of dependence on collateral security for realization, classify its loans and advances and any other forms of credit into the following classes, namely:

(i) Standard assets;
(ii) Sub-standard assets;
(iii) Doubtful assets; and
(iv) Loss assets.

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Standard Asset: Standard asset shall mean the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem or carry more than normal risk attached to the business

Sub-standard asset: Sub-standard asset shall mean an asset which has been classified as non-performing asset for a period not exceeding 18 months;

Doubtful asset: Doubtful Asset shall mean: a term loan, or a lease asset, a hire purchase asset, or any other asset, which remains a sub-standard asset for a period exceeding 18 months

Loss Asset: Loss Asset shall mean:

(a) An asset which has been identified as loss asset by the company or its internal or external auditor or by the Reserve Bank during the inspection of the applicable NBFC, to the extent it is not written off by the company ; and

(b) An asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower

Non-Performing Asset:

(a) An asset, in respect of which, interest has remained overdue for a period of six months or more;

(b) A term loan inclusive of unpaid interest, when the installment is overdue for a period of six months or more or on which interest amount remained overdue for a period of six months or more;

(c) A demand or call loan, which remained overdue for a period of six months or more from the date of demand or call or on which interest amount remained overdue for a period of six months or more;

(d) A bill which remains overdue for a period of six months or more;

(e) The interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans / advances, which facility remained overdue for a period of six months or more;

(f) Any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of six months or more;

(g) The lease rental and hire purchase installment, which has become overdue for a period of twelve months or more;

(h) in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower / beneficiary when any of the above credit facilities becomes non-performing asset :

(ii) Provisioning Policy for Portfolio Loans & Advances

The company has reached to a loan portfolio of Rs 513.57 CR as on 31st March 2022 making it a systemically Important NBFC.

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Notes to financial statements for the year ended March 31, 2022

Provision for Portfolio

Provisions for non-performing assets are made as per the Prudential Master Circular- Introduction of New Category of NBFCs - 'Non-Banking Financial Company Systemically Important Non-Deposit Taking Company Reserve Bank Directions' 2016vide RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 updated as on July 22, 2022.

The aggregate loan provision of the company shall be

i) 0.25% of the Loan Portfolio Outstanding

ii) 10% of the loan portfolio outstanding in case of sub-standard assets

iii) 100% In case of Doubtful and Unsecured Assets

iv) In case of Doubtful and Secured Assets

a) Upto One Year 20%

b) One to Three year 30%

c) More than Three year 50%

v) 100% in case of Loss assets

The Amount of provision accounted in books is computed as follows:-

Type of asset	Days Past Due	Loan Book	Provision (%)	Total Provision	Provision (Opening Balance)	Provision to be created/ (reversed)
Standard Asset	0-180	5,13,57,56,445.00	0.25%	1,28,39,391.00	22,96,079.00	1,05,43,312.00
Sub- Standard	181-546	-	10%	-	-	-
Doubtful Asset 1	546-911	-	20%	-	-	-
Doubtful Asset 2	911-1276	-	30%	-	-	-
Doubtful Asset 3	1276-1641	-	50%	-	-	-
Total loan book outstanding as on 31.03.2022		**5,13,57,56,445.00**		**1,28,39,391.00**	**22,96,079.00**	**1,05,43,312.00**

The NPA Provision has been created during the year amounting to **Rs 1,05,43,312.00**.

The Company has not reported any Bad Debts during the year.

Bad Debts amounting to Rs.48,39,188 have also been recovered during the year

L. **Expenditure**

The provision is made for all the known losses and liabilities.

M. **Income Taxes**

i) Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantively enacted tax rates.

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ii) Deferred Tax Assets (DTA) are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realised. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

iii) Current tax is the amount of tax payable on the taxable income including interest for the year as determined in accordance with the provisions of Income Tax Act, 1961.The Company has not made any provision for Income Tax of in the books.

N. **Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events: it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

O. **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit / loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later time.

Computation of Earnings Per Share

Particulars	For the year ended 31 March 2022 (Before Extra-Ordinary Items)	For the year ended 31 March 2022 (After Extra-Ordinary Items)	For the year ended 31 March 2021 (before/after Extraordinary Items)
(A) Profit after taxation (Rs.)	4,34,25,797.00	4,32,47,152.00	1,84,10,658.00
(B) Weighted average number of equity shares (No's)	6,61,70,826	6,61,70,826	4,27,99,076
(C) Earnings per share (in Rs.): [(A)/(B)]	0.66	0,65	0.43

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Notes to financial statements for the year ended March 31, 2022

3. Notes on Financial Statements

I. Based on the information available, as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below as per books of accounts:

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount and Interest due thereon remaining unpaid to any supplier as on	75,83,926.23	-
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day.		-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.		-
The amount of interest accrued and remaining unpaid during the accounting year.	1,78,645.00	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.		-

II. Balance reconciliations of Escrow Accounts are subject to management confirmation.

III. The balances receivables and payables are subject to confirmation and reconciliation. Pending such confirmation and reconciliation, the impact on accounts is not ascertainable at this stage.

IV. The company is a Small and Medium sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to Small & Medium Sized Company. Segment Reporting as per AS 17 is not mandatory for the Company being an SMC company.

V. To provide additional relief, the Government of India announced ex-gratia payment to lenders for waiving off compound interest for loans up to 2 crore for some category of borrowers. The Honourable Supreme Court had

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directed all banks and financial institutions to refund compound interest, interest on interest or penal interest collected during the moratorium period irrespective of the loan amount and category of borrowers. The Supreme Court also lifted the ban it had imposed on declaring accounts of borrowers as non-performing assets. The company had filed a claim for the Ex Gratia under the scheme for Rs 78,93,585.00. Out of the total amount claimed as refund from Government, The Company has refunded an amount of Rs 3,08,054.26 to the authorities in FY 2021-22 on account of non-identification of specified customers.

VI. There was an employee dispute filed against the company and its directors in October 21, due to which the company paid Rs 1,00,000 for its settlement during the previous year.

VII. During the previous year the company has securitized its book debts for asset reconstruction. The details of the transaction are here under:-

Particulars	FY 21-22	FY 20-21
1. No. of accounts	7886	-
2. Aggregate value (net of provisions) of accounts sold to SC/RC	10,47,28,175.00	-
3. Aggregate consideration	9,73,97,203.00	-
4. Additional consideration realized in respect of accounts transferred in earlier years	-	-
5. Aggregate gain / loss over net book value	-*	-

*The differential amount of Rs 73,30,972 is kept as collateral with the SC/RC

VIII. **Retirement Benefits:-**

The gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the payment of Gratuity Act. The liability with regard to gratuity and compensated absences is accrued based on actuarial valuation at the Balance Sheet date, carried out by an Independent actuary. The Gratuity Valuation is done both on Short Term Gratuity payable and Long Term Gratuity Payable and provided in the books on accrual basis as per AS-15(revised 2005) issued by The Institute of Chartered Accountants of India.

1: **Table Showing Changes in Present Value of Obligations:**

Period	From: 01-04-2021 To: 31-03-2022	From: 01-04-2020 To: 31-03-2021
Present value of the obligation at the beginning of the period	18,96,946.00	4,21,151.00
Interest cost	1,37,529.00	29,481.00
Current service cost	5,77,305.00	5,97,421.00
Past Service Cost	0.00	0.00
Benefits paid (if any)	0.00	0.00
Actuarial (gain)/loss	(9,58,686.00)	8,48,893.00
Present value of the obligation at the end of the period	16,53,094.00	18,96,946.00

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AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

FY 2021-22

Notes to financial statements for the year ended March 31, 2022

2: Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31-03-2022	As on: 31-03-2021
Present value of the obligation at the end of the period	16,53,094.00	18,96,946
Fair value of plan assets at end of period	0.00	0.00
Net liability/(asset) recognized in Balance Sheet and related analysis	16,53,094.00	18,96,946
Funded Status - Surplus/ (Deficit)	(16,53,094.00)	(18,96,946)

3: Expense recognized in the statement of Profit and Loss:

Period	From: 01-04-2021 To: 31-03-2022	From: 01-04-2020 To: 31-03-2021
Interest cost	1,37,529.00	29,481.00
Current service cost	5,77,305.00	5,97,421.00
Past Service Cost	0.00	0.00
Expected return on plan asset	(0.00)	(0.00)
Net actuarial (gain)/loss recognized in the period	(9,58,686.00)	8,48,893.00
Expenses to be recognized in P&L	(2,43,852.00)	14,75,795.00

The Basis of Valuation is as listed below:

1: Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 31-03-2022	As on: 31-03-2021
Number of employees	22	33
Total monthly salary	16,21,062.00	18,54,616.00
Average Past Service(Years)	2.4	1.5
Average Future Service (yr.)	25.5	27.4
Average Age(Years)	34.5	32.6
Weighted average duration (based on discounted cash flows) in years	25	22
Average monthly salary	73,685	56,200
Expected Future Service Taking into Account Decrements (Years)	14	

2: The assumptions employed for the calculations are tabulated:

Discount rate	7.25 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	0	0
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

3: Benefits valued:

Normal Retirement Age	60 Years	60 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr.)	15/26 * Salary * Past Service (yr.)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	2000000.00

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Notes to financial statements for the year ended March 31, 2022

4: Current Liability

Period	As on: 31-03-2022	As on: 31-03-2021
Current Liability (Short Term)*	40,191.00	5,095.00
Non-Current Liability (Long Term)	16,12,903.00	18,91,851.00
Total Liability	16,53,094.00	18,96,946.00

IX. **Movement in Deferred tax :**

Deferred tax asset/liability has been estimated using the substantively enacted rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year.

Particulars	For the year ended 31.03.2022 (Rs)	For the year ended 31.03.2021 (Rs)
(a) The movement in deferred tax Liability is as follows:		
Opening Balance	14,13,347.00	-
Current Year deferred tax expense	(14,13,347.00)	14,13,347.00
Closing Balance	-	**14,13,347.00**
(b) The movement in deferred tax Asset is as follows:		
Opening Balance		4,42,745.00
Current Year deferred tax credit	45,08,007	(4,42,745.00)
Closing Balance	**45,08,007**	-
Net Deferred Tax Asset/Liability as at the year-end 31st March 2022.	**45,08,007**	**14,13,347.00**

X. **Expenditure in Foreign Currency:**

Company has incurred the following expenses in foreign currency

Particulars	For the year ended 31.03.2022 (Rs)	For the year ended 31.03.2021 (Rs)
Expenditure in Foreign Currency	Nil	Nil

XI. **Payments to Auditors: -**

Auditors Remuneration	2021-22	2020-21
Audit Fees	7,00,000.00	4,15,000.00
Certification Fees	3,78.000.00	50,000.00
GST	1,94,040.00	73,700.00
Total	**12,72,040.00**	**5,48,700.00**

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Notes to financial statements for the year ended March 31, 2022

XII. Related Party Disclosure- Accounting Standard 18:

A. **Names of the related parties:**

Key Management Personnel	1. Ms. Shruti Aggarwal, Director. 2. Mr. Tushar Aggarwal, Director. 3. Mr. Satish Chandra Sinha, Director 4. Mr. Radhakrishnan Ramachandra Iyer, Director 5. Mr. Vijuy Ronjan, Director. 6. Ms. Sonia Thakur, Company Secretary 7. Mr. Paveet Dhaiya. Company Secretary
Parties having Significant influence due to Common directorship	1. EQX Analytics Private Limited 2. Titanium Fortune Financial Services Private Limited 3. Stash Payments Private Limited 4. Santra Digital Services Private Limited
Holding Company	**Morus Technologies Pte Limited** (175A, Bencoolen Street, #07-04 Burlington Square, Singapore - 189650)

B. **Related Party transactions:**

Transactions with Key Management Personnel

Particulars	FY 2021-22	FY 2020-21
(i)Managerial remuneration: Ms. Shruti Aggarwal	Rs 47,37,384.00	Rs 1,32,11,700.00
(ii)Managerial remuneration: Mr. Tushar Aggarwal	-	-
(iii)Managerial remuneration: Mr. Paveet Dhaiya	Rs 2,04,000.00	Rs 2,04,507.00
(iv)Managerial remuneration: Ms, Sonia Thakur	-	-
(v)Managerial remuneration: Mr. Vijuy Ronjan	-	-
(vi) Reimbursement of Expenses Ms. ShrutiAggarwal	Rs 13,83,557.24	Rs 4,78,214.00
(vii) Director Sitting Fees Mr. Satish Chandra Sinha	Rs. 7,50,000.00	Rs 4,21,875.00
(viii) Director Sitting Fees Mr. Radhakrishnan Ramachandralyer	Rs. 7,50,000.00	Rs 75,000.00

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AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

FY 2021-22

Notes to financial statements for the year ended March 31, 2022

Balances with parties having significant influence FY 2021-22

(Amount In Rs.)

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	59,06,90,030.00 CR	-	1,52,12,14,160.00	2,11,19,04,190.00 CR
(ii) EQX Analytics Private Limited Reimbursement of Expenses	22,38,37,861.06 DR	4,90,14,05,056.66	4,92,99,34,301.78	19,53,08,615.94 DR
(iii) EQX Analytics Private Limited Amount payable to EQX	1,35,21,347.50 CR	79,89,29,406.50	74,92,35,770.87	3,61,72,288.13 DR
(iv) EQX Analytics Private Limited Repayment of Loan	1,74,87,423.00 CR	2,19,88,972.00	45,01,549.00	-
(v) EQX Analytics Private Limited Infra sharing expenses payable to EQX	-	-	18,16,430.00	18,16,430.00 CR
(vi) Titanium Fortune Financial Services Private Limited Amount Payable to Titanium	-	3,10,00,000.00	3,10,00,000.00	-
(vii) Santra Digital Services Private Limited	-	-	-	-
(viii) Stash Payments Private Limited	-	-	10,32,441.00	10,32,441.00 CR

Balances with parties having significant influence FY 2020-21

(Amount In Rs.)

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	32,30,75,620.00 CR	-	26,76,14,410.00	59,06,90,030.00 CR
(ii) EQX Analytics Private Limited Reimbursement of Expenses	4,97,20,854.31 CR	1,06,00,43,102.93	78,64,84,387.56	22,38,37,861.06 DR
(iii) EQX Analytics Private Limited Amount payable to EQX	18,95,52,184.60 CR	41,88,36,139.60	24,28,05,302.50	1,35,21,347.50 CR

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Notes to financial statements for the year ended March 31, 2022

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(iv) EQX Analytics Private Limited Repayment of Loan	-	3,25,12,577.00	5,00,00,000.00	1,74,87,423.00 CR
(v) EQX Analytics Private Limited Infra sharing expenses payable to EQX	-	-	-	-
(vi) Titanium Fortune Financial Services Private Limited Amount Payable to Titanium	-	26,50,00,000.00	26,50,00,000.00	-
(vii) Santra Digital Services Private Limited	-	-	-	-
(viii) Stash Payments Private Limited	-	-	-	-

Loans From Key Management Personnel

(Amount In Rs.)

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Shruti Aggarwal Loan From Directors	-	50,58,936.00	50,58,936.00	-
(ii) Shruti Aggarwal Interest on Loan	-	-	58,936.00	-

Note: Related party relationships are identified by the management of the company and relied upon by the auditor.

XIII. The Company has not accepted any public deposit during the financial year and there is **NIL** outstanding as on **31.03.2022.**

XIV. The **Net Owned Fund** of the Company as on **31.03.2022** is Rs. **2,70,73,17,318.00 (Rupees Two Hundred Seventy Crores Seventy Three Lakhs Seventeen Thousand Three Hundred and Eighteen Only).**

Net Owned Fund calculated as follows:	Amount (Rs.)
Paid up Equity Share Capital	**2,11,19,05,190.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**67,59,12,449.00**
Less: Deferred Tax Asset	**(41,51,552.00)**
Less: Miscellaneous Expenditure	**(1,38,95,200.00)**
Less: Intangible Assets	**(6,24,53,569.00)**
Total Net Owned Fund as on 31.03.2022(a)	**2,70,73,17,318.00**
Total Number of Outstanding Equity Shares as on 31.03.2022 (b)	**21,11,90,519**
Book Value Per Equity Share (a/b)	**12.81**

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AKARA CAPITAL ADVISORS PVT. LTD.

Akara Capital Advisors Private Limited

FY 2021-22

Notes to financial statements for the year ended March 31, 2022

XV. The Total Assets Size and Loan Asset Portfolios of the Company as on **31.03.2022** are **Rs. 6,36,41,11,157.00 (Rupees Six Hundred Thirty Six Crores Forty One Lakhs Eleven Thousand One Hundred Fifty Seven only) and Rs. 5,13,57,56,445 /-(Rupees Five Hundred Thirteen Crores Fifty Seven Lakhs Fifty Six Thousand Four Hundred and Forty Five only)** respectively.

XVI. The Capital Adequacy Ratio of the company is **43.29%**as on **31.03.2022.**

Statement showing calculation of Capital Adequacy Ratio

A	**Tier I Capital**		**2,70,73,17,318.00**
B	**Tier II Capital**		-
	Total of Adjusted Assets		**2,70,73,17,318.00**
C	**Risk Weighted Assets**		**6,25,36,28,634.00**
	Capital Adequacy Ratio	**[(A+B)/C]**	**43.29%**

Tier I Capital calculated as follows:	**Amount**
Paid up Equity Share Capital	**2,11,19,05,190.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**67,59,12,449.00**
Less: Deferred Tax Asset	**(41,51,552.00)**
Less: Miscellaneous Expenditure	**(1,38,95,200.00)**
Less: Intangible Assets	**(6,24,53,569.00)**
Total Tier I Capital as on 31.03.2022(A)	**2,70,73,17,318.00**
Tier II Capital calculated as follows:	
Paid up Preference Share Capital (Optionally Converted)	----------
Add: General Provisions and Loss Reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth (1.25) percent of risk weighted assets.	----------
Total Tier II Capital as on 31.03.2022(B)	----------

Risk Weighted Assets Calculated as follows:-

Assets	**Amount (1)**	**Risk Weight (2)**	**Risk Weighted Assets (1*2)**
Cash & Bank Balance	59,30,37,908.00	100%	59,30,37,908.00
Deposits other than Lien Marked	0	0%	0
Deposits With Lien Marked	0	100%	0
Loan Portfolio	5,13,57,56,445.00	100%	5,13,57,56,445.00
Fixed Assets	6,24,66,200.80	100%	6,24,66,200.80
Security Deposits	0	100%	0
Advance Tax & MAT	0	100%	0
Staff Advances	0	0%	0
Other Current Assets	46,23,68,080.00	100%	46,23,68,080.00
		Total (C)	**Rs 6,25,36,28,634.00**

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4. Other Regulatory Information

I. Title Deeds of Immovable Property not held in the name of the Company

The company does not possess any immovable property in the books.

II. Revaluation of Property, Plant and Equipment and Right-of-Use Assets

The company does not possess any Property, Plant and Equipment in the books.

III. Loans or Advances in the nature of Loans to specified persons (promoters, directors, KMPs, related parties) that are:

a. Repayable on Demand or

b. Without specifying any terms or period of repayment

		As at March 31, 2022		As at March 31, 2021	
S.No.	Type of Borrower	Amount of loans or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loans or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
1.	Promoters	-	-	-	-
2.	Directors	-	-	-	-
3.	Key Management Personnel	-	-	-	-
4.	Related parties	-	-	-	-

There are no Loans or Advances which are granted to specified persons during the previous financial year.

IV. Capital Work-in-Progress (CWIP)

The company possess capital work in progress amounting to Rs 34,98,876.00

V. Intangible Assets under Development

The company does not possess any intangible assets under development.

VI. Details of Benami Properties held

No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

VII. Borrowings secured against Current Assets

The Company has availed borrowings from Banks and Financial Institutions on the basis of security of current assets (Book Debts).

VIII. Willful Defaulter

The Company has timely repaid the installments due from Banks and Financial Institutions.

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

Notes to financial statements for the year ended March 31, 2022

IX. Relationship with Struck off Companies

The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

X. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period.

XI. Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.

XII. The following Ratios to be disclosed:

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	3.21	3.86	-16.84	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.28	0.70	81.99	
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortization	Total principal + Interest on Borrowings	0.15	0.28	-10.63	
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortization	Average Shareholders' Equity	0.02	0.03	-33.33	
(e) Inventory turnover ratio	Turnover Note-1	Average Inventory	0.00	0.00	0.00	
(f)Trade Receivables turnover ratio	Net Credit Sales Note-2	Average Trade Receivable	0.00	0.00	0.00	
(g) Trade payables turnover ratio	Net Credit Purchase Note-2	Average Trade Payable	0.00	0.00	0.00	
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.11	0.22	-50.00	
(i) Net profit ratio	Net Profit	Net Sales	0.09	0.09	0.00	
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	0.05	0.07	-28.57	
(k) Return on investment	Net Return on Investment	Cost of Investment	0.03	0.00	100.00	

Note-1 The Company is engaged in service sector hence do not possess any inventory and this ratio is not being computed.
Note-2 The Company has not incurred credit sales or credit purchases during FY 21-22 and FY 20-21, hence this ratio is not being computed.

XIII. Compliance with approved Schemes of Arrangements

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

SURI & SUDHIR New Delhi Chartered Accountants

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AKARA CAPITAL ADVISORS PVT. LTD.

Notes to financial statements for the year ended March 31, 2022

XIV. Utilisation of Borrowed funds and Share Premium

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

XV. Corporate Social Responsibility (CSR)-Not Applicable

XVI. Details of Crypto Currency or Virtual Currency-Not Applicable

XVII. Previous year figures have been regrouped/ rearranged wherever necessary.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

For and on behalf of the Board of Directors

SURI & SUDHIR New Delhi Chartered Accountants

AKARA CAPITAL ADVISORS PVT. LTD.

TUSHAR AGGARWAL
Director
DIN: 01587360

AKARA CAPITAL ADVISORS PVT. LTD.

SHRUTI AGGARWAL
Director
DIN: 06867269

AKARA CAPITAL ADVISORS PVT. LTD.

SONIA THAKUR
Company Secretary
Membership No-40393

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 17-08-2022
UDIN:22504815APUIHK2833

AKARA CAPITAL ADVISORS PRIVATE LIMITED

DIRECTORS' REPORT

Dear Members,

Your Director's take pleasure in presenting the Directors' report on the business and operations of the Company along with summarized financials for the financial March 31, 2021.

The COVID-19 pandemic outbreak across the world including India has resulted in global lockdowns and quarantine measures that have sharply stalled the economic activities across the globe. While the Government of India has lifted the lockdown in a phased manner, the pace of economic recovery remains uncertain. The management has made judgements, estimates and assumptions that affect the business operations and results, based on various factors including the possible effects that may result from the pandemic, that are believed to be reasonable under the current circumstances. The Company has considered the same in the preparation of financial statements for the year ended 31 March 2021. Given the dynamic nature of the pandemic situation, in the event the impact is more severe or prolonged than anticipated, this may have a corresponding impact on the operations, the financial position and performance of the Company

When the nationwide lockdown was announced on 25th March, 2020, your company was more focused on the health, safety and work-from-home-of its employees. Your Company also provided 1st dose of vaccination to all its employees, free of cost. In addition to this, your Company also sent a welfare kit to each of its employees as a gesture of well-being.

1. Financial Results:

Particulars	For the year ended March 31, 2021 (in INR)	For the year ended March 31, 2020 (in INR)
Total Income	21,20,81,896.00	53,72,50,464.00
Expenditure	18,46,30,627.00	52,54,52,583.00
Profit/(Loss) before tax	2,74,51,269.00	1,17,97,881.00
Less: Tax Expenses		
Current Tax	71,84,520.00	34,07,423.00
Previous Year Tax	0	0
Deferred Tax charge	18,56,091.00	-2,548.00
Profit /(Loss) for the year after taxation	1,84,10,658.00	83,93,007.00

2. State of the Company's Affairs:

Your Company was incorporated on 11th February, 2016 with the Registrar of Companies, Delhi. The Company is engaged in the activities of Finance and is registered with Reserve Bank of India as an NBFC and there is no change in the nature of business of the company during the year under review.

During the Financial Year ended March 31, 2021, your Company earned a revenue of INR 21,20,81,896.00 (Rupees Twenty One Crore Twenty Lakh Eighty One Thousand Eight Hundred and Ninety Six) and incurred expenditure of INR 18,46,30,627.00 (Eighteen Crore Forty Six Lakh Thirty

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AKARA CAPITAL ADVISORS PVT. LTD.

Thousand Six Hundred and Twenty Seven). However, during the previous financial year ended March 31, 2020, your Company earned INR 53,72,50,464.00 (Rupees Fifty-Three Crore Seventy-Two Lakh Fifty Thousand Four Hundred Sixty-Four only) and incurred an aggregate expenditure of INR 52,54,52,583.00 (Rupees Fifty-Two Crore Fifty-Four Lakh Fifty-Two Thousand Five Hundred Eighty-Three only).

For the financial year ended March 31, 2021, the company made net profit of INR 1,84,10,658.00 (One Crore Eighty Four Lakh Ten Thousand Six Hundred and Fifty Eight). During the year ended on 31st March, 2020 the company made net profit of INR 83,93,007.00 (Rupees Eighty-Three Lakh Ninety-Three Thousand Seven Only).

3. Dividend:

Although the Company has earned profit, the Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the Company's Dividend Distribution Policy, has decided that it would be prudent, not to recommend any dividend for the financial year ended March 31, 2021.

4. Transfer to Reserves:

During the financial year the Company has carried forward Profit & Loss balance of INR 1,29,20,404.00 (One Crore Twenty Nine Lakh Twenty Thousand Four Hundred and Four)- to surplus during the year and in accordance with the provision of Section 45-IC of the Reserve Bank of India Act, 1934 the company has transferred to statutory Reserve 20% profit after tax i.e. an amount of INR 54,90,254.00 (Rupees Fifty Four Lakh Ninety Thousand Two Hundred and Fifty Four)

5. Change in the nature of business, if any:

There has been no change in the nature of business of the Company during financial year under review.

6. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year and the date of the report:

There have been no material changes and/or commitments occurred subsequent to the close of the financial year of the Company to which the balance sheet relates i.e., March 31, 2021 and up to the date of signing of this report, which might affect the financial position of the Company.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There have been no order, whatsoever, passed or issued by any regulators, courts or tribunals, which might affect the going concern status and company's operations in future.

8. Risk Management Policy, development and its implementation:

The Company's Risk Management Policy with a robust supporting risk management framework facilitates identification and assessment of new risks and review of presently identified risks. The process is based on identified risks and the risk events or factors which require regular assessment and quick response. Based on the probability & impact of the risk, the requisite controls and action plans have been designed and implemented. The Key Risk Indicators have been identified to measure the adequacy, effectiveness and efficiency of these, controls and action plans.

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9. Internal Control Systems:

The Company's internal control systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

10.Directors' Responsibility Statement:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b) the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) the Directors had prepared the annual accounts on a 'going concern' basis; and
e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Public Deposits:

During the year under review, the Company has not accepted any deposits from the public within the meaning of Companies Act, 2013 and rules made there under.

12.Statutory Auditors:

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, M/s Suri & Sudhir, Chartered Accountants, (FRN 000601N), Delhi appointed as Statutory Auditors of the Company for the period of 5 years starting from 01/04/2019 to 31/03/2024 in the Annual General Meeting of the Company held in 2019.

Further, pursuant to the Companies (Amendment) Act, 2017 which was notified on May 7, 2018, the provision related to ratification of appointment of Auditors by Members at every AGM has been done away with.

Board's explanation and Comments on Auditors report: The Notes on Accounts read with the Auditors Report are self-explanatory and therefore do not require any further comments or explanations as the Auditor's Report given by auditors of the Company doesn't contain any qualification, reservation, or adverse remarks.

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The Statutory Auditors in their report for the financial year ended March 31, 2021 does not refer about any fraud.

13.Cost Auditor:

As per the Section 148(1) of the Companies Act, 2013 the provisions of maintenance of cost records are not applicable on the Company for the Financial Year 2020-21.

14.Secretarial Auditor:

The Company was not required to appoint any Secretarial Auditor in terms of the applicable provisions of section 204 of the Companies Act, 2013 read with relevant rules framed there under during the period under review. Therefore, no secretarial audit report is required to be obtained.

15.Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:

The disclosure under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to foregoing matters are as follows.

a. **Conservation of Energy:**
Since the Company does not own any manufacturing facility, the particulars relating to conservation of Energy and technology absorption in the above rules are not applicable.

b. **Technology Absorption:**
The Company is not involved in any activity relating to technology absorption.

c. **Foreign Exchange Earning & Outgo: (in INR)**
The Foreign Exchange earnings & outgo during the year was as follows:

Particulars	2020-21	2019-20
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	-	63,470.00

16.Corporate Social Responsibility (CSR):

The provisions pertaining to the Corporate Social Responsibility ("CSR") in terms of the section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to the Company for the financial year ended March 31, 2021.

17.Extract of the Annual Return:

As required under Section 92(3) of the Act and the Rules made thereunder and amended from time to time, the Annual Return of the Company in prescribed Form MGT -7 will be available on the website of the Company i.e. www.stashfin.com

18.Contracts or Arrangements Made with Related Parties Referred to in Sub-Section (1) of Section 188 of the Act

The Company had entered into the related party contract with EQX Analytics Private Limited in the earlier year(s). Based on this contract, certain related party transactions took place at arm's length

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basis in the ordinary course of business. The Contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 are furnished in Annexure -I and is attached to this Report.

19.Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013:

The Company has not entered into any transaction of or given, whether within the prescribed limit or beyond the limit, any loan, guarantee or investments under section 186 of the Companies Act, 2013. Accordingly, no disclosure is required to be made by the Company in this regard.

20.Share Capital:

Share capital of the Company is INR 100,00,00,000/- divided into 10,00,00,000 equity shares of INR 10/- each. The Paid-up share capital of the Company is INR 59,06,91,030/- divided into 5,90,69,103 equity shares of INR 10/- each as on 31st March 2021. During the financial year 2020-21, the paid up capital of the company has been changed and the company obtained the necessary RBI approval.

Akara Capital Advisors Private Limited is a wholly owned subsidiary of Morus Technologies Pte. Ltd. Further, the company has no subsidiary or joint ventures or associate companies.

a. **Sweat Equity shares:**
The Company has not issued any sweat equity shares during the financial year under review.

b. **Issue of further Share Capital:**
The Company has issued 2,67,61, 441 equity Shares of INR 10 each during the Financial Year under review.

c. The Company has issued 71,47,944 equity shares of INR 10 each on 21st August, 2021 to M/s. Morus Technologies PTE LTD through Rights Issue.

d. **Buy back of Shares:**
During the year under review, the Company has not made any offer to buy back its shares.

21.Number of meetings of the Board of Directors:

During the period under review, the Board of Directors of the Company met 11 times. The intervening gap between any two board meetings was within the period prescribed by the Companies Act, 2013 ('Act') and the Articles of Association ('AoA') of the Company. Proper quorum was present at all the Board meetings held. The Board meetings held during the year are mentioned below

S. No.	Date of the Board Meeting	No. of Directors required to attend the BM	No. of Directors attended the BM
1.	22nd April, 2020	3	3
2.	12th May, 2020	3	3
3.	21st July, 2020	3	3
4.	7th August, 2020	3	3
5.	8th September, 2020	3	3
6.	12th November, 2020	3	3
7.	21st December, 2020	3	2
8.	9th January, 2021	3	2
9.	3rd February, 2021	3	3
10.	16th March, 2021	4	4

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S. No.	Date of the Board Meeting	No. of Directors required to attend the BM	No. of Directors attended the BM
11.	28th March, 2021	4	4

22.Annual General Meeting/ Extra-Ordinary General Meeting:

During the financial year 2020-21, following are the details of the Annual General Meeting ("AGM") and Extra-Ordinary General Meeting ("EGM"):

Sr. No	Type of Meeting	Date of AGM/ EGM	Total Number of Members	Number of Members present
1.	AGM	08th September, 2020	2	2
2.	EGM	16th May, 2020	2	2
3.	EGM	07th August, 2020	2	2

23.Directors and Key Managerial Personnel:

Board of Directors

The following directors are holding office:

Sr. No.	DIN	Name	Designation	Date of Appointment
1	01587360	Tushar Aggarwal	Director	11/02/2016
2	03598173	Satish Chandra Sinha	Director	25/07/2016
3	06867269	Shruti Aggarwal	Director	11/02/2016
4	01309312	Radhakrishnan Ramachandra Iyer	Additional Director	03/02/2021

Key Managerial Personnel

Sr. No.	PAN	Name	Designation	Date of Appointment
1	BBXPP6320D	Paveet Dahiya	Company Secretary	30/03/2018

24.Changes in Directors and Key Managerial Personnel:

During the year under review, Mr. Radhakrishnan Ramachandra Iyer was appointed as an Additional Director of the Company and shall be regularized in the ensuing Annual General Meeting of the Company.

25.Managerial Remuneration:

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

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26.Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Following is the summary of sexual harassment complaints received and disposed-off during the financial year ended March 31, 2021:

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

27.Compliance with Secretarial Standard

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.
During the year under review the Company have complied all the secretarial standards issued by the Institute of Company Secretaries of India.

28.Declaration of Independent Directors

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company. Though the Directors have recommended the Appointment of Mr. Radhakrishnan Ramachandra Iyer as an Independent Director in the ensuing Annual General Meeting of the Company.

29.Company's Policy relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

30.Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

31.Disclosure of Composition of Audit Committee and Providing Vigil Mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

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32.Particulars of Employees

During the year none of the employees are in receipt of remuneration of more than INR One Crore and Two Lakhs, or employed for the part of the year under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

33.Adequacy of Internal Financial Control

The details in respect of adequacy of internal financial controls with reference to the Financial Statement as mentioned in Annexure of Auditor Report with respect to section 143 of the Companies Act, 2013.

34.Registration as a Systemically Important Non-Deposit taking NBFC

The Company has been registered with the Reserve Bank of India as a Non-Banking Financial Institution (Non-Deposit taking). In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is categorised as a "Systemically Important Non-Deposit taking Non-Banking Financial Company". The Company has not accepted public deposits during the year under review. The company is fulfiling all requirement as per the guidelines issued by RBI.

35.Acknowledgements:

The Directors wish to express their gratitude to the business associates, customers, bankers and agencies of union and state government and other stakeholders for their continues support and assistance.

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

Tushar Aggarwal
(Director)
DIN: 01587360
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi – 110054

Shruti Aggarwal
(Director)
DIN: 06867269
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi - 110054

Date: 24th September, 2021
Place: New Delhi

Annexure I

Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and* Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

(a) Name(s) of the related party and nature of relationship:
(b) Nature of contracts/arrangements/transactions:
(c) Duration of the contracts / arrangements/transactions:
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:
(e) Justification for entering into such contracts or arrangements or transactions
(f) Date(s) of approval by the Board:
(g) Amount paid as advances, if any:
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts or arrangement or transactions at arm's length basis:

1. (a) Name(s) of the related party and nature of relationship: EQX Analytics Private Limited (Parties having Significant influence)
   (b) Nature of contracts/arrangements/transactions: Memorandum of Agreement (Availing the Line of Credit by Akara for meeting the financial requirements and for further on-lending to the customers as short-term personal loans for salaried individuals and make all reasonable efforts to recover the same and repaid to the EQX Analytics Private Limited)
   (c) Duration of the contracts / arrangements/transactions: 36 Months
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: On Arm Length Basis
   (e) Date(s) of approval by the Board, if any: 13th March 2020 (Through Resolution by Circulation)
   (f) Amount paid as advances, if any: NIL
2. (a) Name(s) of the related party and nature of relationship: Ms. Shruti Aggarwal (Director)
   (b) Nature of contracts/arrangements/transactions: Remuneration & Reimbursement of Expenses
   (c) Duration of the contracts / arrangements/transactions: Continuous
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
   (e) Date(s) of approval by the Board, if any: NA
   (f) Amount paid as advances, if any: NIL
3. (a) Name(s) of the related party and nature of relationship: Mr. Satish Chandra Sinha (Director)
   (b) Nature of contracts/arrangements/transactions: Director Sitting Fees
   (c) Duration of the contracts / arrangements/transactions: Continuous

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(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
(e) Date(s) of approval by the Board, if any: NA
(f) Amount paid as advances, if any: NIL

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

Tushar Aggarwal
(Director)
DIN: 01587360
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi – 110054

Shruti Aggarwal
(Director)
DIN: 06867269
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi - 110054

Date: 24th September, 2021
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of **M/s Akara Capital Advisors Private Limited**

Report on the Standalone Financial Statements

We have audited the accompanying financial statements **of "M/s Akara Capital Advisors Private Limited"** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the interim consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
1. Up dation of Corporate office with RBI	In addition to the registered office, The Company operates from Khasra no. 337, 1st Floor, CRC-II, M G Road, Sultanpur, Mehrauli, South West Delhi, Delhi, 110030. As confirmed by the management, due to Covid lockdowns and intermittent working, the company has not yet updated the address with RBI, and is currently in process of updating this address in RBI record.
2. Payment of Ex Gratia to the eligible customer	To provide additional relief, the Government of India announced ex-gratia payment to lenders for waiving off compound interest for loans up to 2 crore for some category of borrowers. The Honourable Supreme Court has directed all banks and financial institutions to refund compound interest, interest on interest or penal interest collected during the moratorium period irrespective of the loan amount and category of borrowers. The Supreme Court also lifted the ban it had imposed on declaring accounts of borrowers as non-performing assets. The company had filed a claim for the Ex Gratia under the scheme for Rs 78,93,585.00. The Company

	made multiple attempts to pay the eligible borrowers through cheque issuance and direct deposit. As confirmed by management, such refund to the eligible borrowers was completed in FY 2020-21.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal & Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2.As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act.

f. Being a private company, provisions of section 197 are not applicable to the company.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

h. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The management has represented that the company does not have any pending litigations and hence no provision/disclosure has been made against the same.



(ii) The company had not entered into any long term contracts including derivative contracts

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Anuj Arora
(Partner)
Membership. No.: 504815

Date: 24/09/2021
Place: New Delhi

UDIN No. 21504815AAAAHK9299

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Akara Capital Advisors Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2021 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, 2021, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N

SURI & SUDHIR ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

Anuj Arora
(Partner)
Memb. No.: 504815

Date: 24/09/2021
Place: New Delhi

UDIN No. 21504815AAAAHK9299

Annexure 'B' to the Auditors' Report

The Annexure referred to in Independent Auditors' Report of even date to the members **Akara Capital Advisors Private Limited** on the standalone financial statements for the year ended March 31, 2021, we report that:

(i) In respect of the Company's fixed assets
(b) The company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.

(c) All the assets have been physically verified by the management during the year at regular intervals according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

(d) Since the company is not in the possession of any immovable property hence this clause is not applicable.

(ii) As the Company do not possess any Inventory therefore Para (ii) do not apply.

(iii) The company has not granted any loan secured or unsecured to companies, firms, Limited liability partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act and hence provisions of para (iii) are not applicable to the company.

(iv) The company has not given any loans & advances to directors and parties covered under section 185 or loans and advances under section 186 of the Companies Act, 2013 and hence the provisions of paragraph (iv) are not applicable to the company.

(v) The company has not accepted any deposits and hence paragraph (v) of the order is not applicable to the company.

(vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act.

(vii)
(a) The company is fairly regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31st March'2021 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of Goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted beyond 90 days in repayment of dues to a financial institution or bank. In the absence of any debentures, the reporting on the debenture dues is not applicable on the company.

(ix) The company has not raised any money by way of Initial Public Offer (IPO) or further public offer (including debt instruments). The term loans were applied for the purpose for which they were obtained.



(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

(xi) Being a private limited company, the provisions of section 197 and likewise the reporting under paragraph of the order are not applicable.

(xii) The company is not a nidhi company & hence paragraph (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 accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause (xiv) are not applicable to the company.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them.

(xvi) 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.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N

SURI & SUDHIR * NEW DELHI * CHARTERED ACCOUNTANTS

Anuj Arora
(Partner)
Membership Number: 504815

Date: 24/09/2021
Place: New Delhi

UDIN No. 21504815AAAAHK9299

AAOCA1452F
AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI-110003
CIN : U74110DL2016PTC290970
Ph No : 9643309883
Email : cofficer@akaracap.com

(F.Y. 2020-2021)

Balance Sheet as at 31st March 2021

₹ in rupees

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	59,06,91,030.00	32,30,76,620.00
Reserves and surplus	2	17,63,01,049.00	7,76,06,068.00
Money received against share warrants		-	-
		76,69,92,079.00	**40,06,82,688.00**
Share application money pending allotment		**72,750.00**	**-**
Non-current liabilities			
Long-term borrowings	3	45,97,72,842.00	36,37,21,719.00
Deferred tax liabilities (Net)	4	14,13,347.00	-
Other long term liabilities		-	-
Long-term provisions	5	18,91,851.00	3,59,561.00
		46,30,78,040.00	**36,40,81,280.00**
Current liabilities			
Short-term borrowings	6	1,74,87,423.00	-
Trade payables	7		
(A) Micro enterprises and small enterprises		-	-
(B) Others		2,74,48,188.00	25,45,63,049.00
Other current liabilities	8	2,92,25,507.00	3,64,48,819.00
Short-term provisions	5	1,73,06,778.00	1,29,00,290.00
		9,14,67,896.00	**30,39,12,158.00**
TOTAL		**1,32,16,10,765.00**	**1,06,86,76,126.00**
ASSETS			
Non-current assets			
Property,Plant and Equipment	9		
Tangible assets		19,999.00	86,826.00
Intangible assets		3,88,25,023.00	1,29,37,710.00
Capital work-in-Progress		-	25,70,095.00
Intangible assets under development		-	-
Non-current investments		-	-
Deferred tax assets (net)	4	-	4,42,745.00
Long-term loans and advances	10	-	-
Other non-current assets		-	-
		3,88,45,022.00	**1,60,37,376.00**
Current assets			
Current investments		-	-
Inventories		-	-
Trade receivables	11	22,51,67,031.00	9,50,715.00
Cash and cash equivalents	12	6,28,83,246.00	1,40,50,099.00
Short-term loans and advances	10	91,84,31,442.00	98,04,69,285.00
Other current assets	13	7,62,84,024.00	5,71,68,651.00
		1,28,27,65,743.00	**1,05,26,38,750.00**
TOTAL		**1,32,16,10,765.00**	**1,06,86,76,126.00**

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 24/09/2021
UDIN: 21504815AAAAHK3299

For and on behalf of the Board of Directors

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

PAVEET
Membership No-35743

AAOCA1452F
AKARA CAPITAL ADVISORS PRIVATE LIMITED (F.Y. 2020-2021)
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI-110003
CIN : U74110DL2016PTC290970
Ph No : 9643309883
Email : cofficer@akaracap.com

Statement of Profit and loss for the year ended 31st March 2021 ₹ in rupees

Particulars	Note No.	31st March 2021	31st March 2020
Revenue			
Revenue from operations	14	21,01,18,577.00	53,72,50,464.00
Less: Excise duty		-	-
Net Sales		**21,01,18,577.00**	**53,72,50,464.00**
Other income	15	19,63,319.00	-
Total revenue		**21,20,81,896.00**	**53,72,50,464.00**
Expenses			
Cost of material Consumed		-	-
Purchase of stock-in-trade		-	-
Changes in inventories		-	-
Employee benefit expenses	16	4,28,89,784.00	3,26,49,522.00
Finance costs	17	4,33,56,301.00	4,42,12,312.00
Depreciation and amortization expenses	18	62,66,931.00	20,26,480.69
Other expenses	19	9,21,17,611.00	44,65,64,268.00
Total expenses		**18,46,30,627.00**	**52,54,52,582.69**
Profit before exceptional, extraordinary and prior period items and tax		**2,74,51,269.00**	**1,17,97,881.31**
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		**2,74,51,269.00**	**1,17,97,881.31**
Extraordinary items		-	-
Prior period item		-	-
Profit before tax		**2,74,51,269.00**	**1,17,97,881.31**
Tax expenses			
Current tax	20	71,84,520.00	34,07,423.00
Deferred tax	21	18,56,091.00	(2,548.00)
Excess/short provision relating earlier year tax		-	-
Profit(Loss) for the period		**1,84,10,658.00**	**83,93,006.31**
Earning per share			
Basic	**22**		
Before extraordinary Items		0.43	0.28
After extraordinary Adjustment		0.43	0.28
Diluted			
Before extraordinary Items		-	-
After extraordinary Adjustment		-	-

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 24/09/2021
UDIN: 21504815AAAAHK3299

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

For and on behalf of the Board of Directors

PAVEET
Membership No-35743

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AKARA CAPITAL ADVISORS PRIVATE LIMITED (F.Y. 2020-2021)
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Email : cofficer@akaracap.com

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2021 ₹ in rupees

	PARTICULARS	31st March 2021	31st March 2020
A.	**Cash Flow From Operating Activities**		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	**2,74,51,269.00**	**1,17,97,881.31**
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	62,66,931.00	20,26,480.69
	Finance Cost	4,33,56,301.00	4,42,12,312.00
	Adjustments for unrealised foreign exchange Losses / (Gains)	(29.00)	-
	Interest received	(4,18,796.00)	-
	Other Inflows / (Outflows) of cash	8,73,06,867.00	6,93,47,474.92
	Operating profits before Working Capital Changes	**16,39,62,543.00**	**12,73,84,148.92**
	Adjusted For:		
	(Increase) / Decrease in trade receivables	(22,42,16,316.00)	-
	Increase / (Decrease) in trade payables	(22,71,14,861.00)	16,19,48,066.00
	Increase / (Decrease) in other current liabilities	24,46,691.00	(1,36,14,869.92)
	(Increase) / Decrease in Short Term Loans & Advances	6,20,37,843.00	(38,64,24,592.00)
	(Increase) / Decrease in other current assets	(1,91,15,344.00)	(4,41,91,341.00)
	Cash generated from Operations	**(24,19,99,444.00)**	**(15,48,98,588.00)**
	Income Tax (Paid) / Refund	(34,07,423.00)	(15,42,390.00)
	Net Cash flow from Operating Activities(A)	**(24,54,06,867.00)**	**(15,64,40,978.00)**
B.	**Cash Flow From Investing Activities**		
	Purchase of tangible assets	-	(25,70,095.00)
	Proceeds from sales of tangible assets	25,70,095.00	19,91,198.00
	Interest Received	4,18,796.00	-
	Purchase of intangible assets	(3,20,87,417.00)	(1,22,71,577.00)
	Net Cash used in Investing Activities(B)	**(2,90,98,526.00)**	**(1,28,50,474.00)**
C.	**Cash Flow From Financing Activities**		
	Finance Cost	(4,33,56,301.00)	(4,42,12,312.00)
	Increase in / (Repayment) of Short term Borrowings	1,74,87,423.00	-
	Increase in / (Repayment) of Long term borrowings	9,60,51,123.00	16,75,80,093.00
	Increase / (Decrease) in share capital	26,76,14,410.00	6,53,84,500.00
	Increase / (Decrease) in share application money pending allotment	72,750.00	(1,50,00,000.00)
	Other Inflows / (Outflows) of cash	(1,45,30,865.00)	(23,59,874.00)
	Net Cash used in Financing Activities(C)	**32,33,38,540.00**	**17,13,92,407.000**
D.	**Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)**	**4,88,33,147.00**	**21,00,955.00**
E.	Cash & Cash Equivalents at Beginning of period	1,40,50,099.00	1,19,49,144.00
F.	Cash & Cash Equivalents at End of period	6,28,83,246.00	1,40,50,099.00
G.	**Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)**	**4,88,33,147.00**	**21,00,955.00**

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

SURI & SUDHIR * NEW DELHI * CHARTERED ACCOUNTANTS

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 24/09/2021
UDIN: 21504815AAAAHK3299

For and on behalf of the Board of Directors

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

PAVEET
Membership No 35743

AKARA CAPITAL ADVISORS PVT. LTD.

Note:

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

AAOCA1452F
AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI-110003
CIN : U74110DL2016PTC290970
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(F.Y. 2020-2021)

Notes to Financial statements for the year ended 31st March 2021
The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Note No. 1 Share Capital

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Authorised :		
100000000 (31/03/2021:) Equity shares of Rs. 10.00/- par value	1,00,00,00,000.00	40,00,00,000.00
Issued :		
59069103 (31/03/2021:) Equity shares of Rs. 10.00/- par value	59,06,91,030.00	32,30,76,620.00
Subscribed and paid-up :		
59069103 (31/03/2021:) Equity shares of Rs. 10.00/- par value	59,06,91,030.00	32,30,76,620.00
Total	**59,06,91,030.00**	**32,30,76,620.00**

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares

₹ in rupees

	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	3,23,07,662	32,30,76,620.00	2,57,69,212	25,76,92,120.00
Issued during the Period	2,67,61,441	26,76,14,410.00	65,38,450	6,53,84,500.00
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	**5,90,69,103**	**59,06,91,030.00**	**3,23,07,662**	**32,30,76,620.00**

Right, Preferences and Restriction attached to shares

Equity shares
The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2021		As at 31st March 2020	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Morus Technologies Pte Limited	5,90,69,003	99.99	3,23,07,562	99.99
	Total :	**5,90,69,003**	**99.99**	**3,23,07,562**	**99.99**

Note: During the year, there has been a change in shareholding of the company after obtaining necessary RBI Approval on 05-10-2020,07-10-2020 and 05-03-2021

Note No. 2 Reserves and surplus

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Surplus		
Opening Balance	76,00,293.59	15,67,161.28
Add: Profit for the year	1,84,10,658.00	83,93,006.31
Less:Transfer to Special Reserve	(54,90,254.00)	(23,59,874.00)
Closing Balance	**2,05,20,697.59**	**76,00,293.59**
Securities premium		
Opening Balance	6,69,23,012.00	-
Add: Addition during the year	8,02,84,323.00	6,69,23,012.00
Less : Deletion during the year	-	-
Closing Balance	**14,72,07,335.00**	**6,69,23,012.00**
Reserves u/s 45I(C)		
Opening Balance	30,82,762.41	7,22,888.49
Add: Addition during the year	54,90,254.00	23,59,873.92
Less : Deletion during the year	-	-
Closing Balance	**85,73,016.41**	**30,82,762.41**
Balance carried to balance sheet	**17,63,01,049.00**	**7,76,06,068.00**

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

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Note No. 3 Long-term borrowings

₹ in rupees

Particulars	As at 31st March 2021			As at 31st March 2020		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term Loan - From banks						
AU Small Finance Bank Private Limited secured	7,50,00,002.00	-	7,50,00,002.00	1,66,66,664.00	-	1,66,66,664.00
	7,50,00,002.00	**-**	**7,50,00,002.00**	**1,66,66,664.00**	**-**	**1,66,66,664.00**
Term Loan - From Others						
Western Capital Advisors Private Limited secured	-	-	-	2,50,00,000.00	-	2,50,00,000.00
Eclear Leasing and Finance Private Limited secured	-	-	-	2,05,24,885.00	-	2,05,24,885.00
Fusion Corporate Solutions Private Limited secured	3,36,47,669.00	-	3,36,47,669.00	2,23,00,443.00	-	2,23,00,443.00
Jainsons Finlease Limited secured	-	-	-	5,81,79,542.00	-	5,81,79,542.00
Northern Arc Capital secured	2,42,30,836.00	-	2,42,30,836.00	13,08,43,505.00	-	13,08,43,505.00
Kisetsu Saison Finance Private Limited secured	12,91,66,666.00	-	12,91,66,666.00	-	-	-
Vivriti Capital Private Limited secured	15,00,00,000.00	-	15,00,00,000.00	-	-	-
Usha Financial services Private Limited secured	-	-	-	2,11,37,245.00	-	2,11,37,245.00
Positive Moves India Consulting Private Limited secured	4,77,27,669.00	-	4,77,27,669.00	6,90,69,435.00	-	6,90,69,435.00
	38,47,72,840.00	**-**	**38,47,72,840.00**	**34,70,55,055.00**	**-**	**34,70,55,055.00**
The Above Amount Includes						
Secured Borrowings	45,97,72,842.00	-	45,97,72,842.00	36,37,21,719.00	-	36,37,21,719.00
Net Amount	**45,97,72,842.00**	**-**	**45,97,72,842.00**	**36,37,21,719.00**	**-**	**36,37,21,719.00**

Note No. 4 Deferred Tax

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred tax liability		
Deferred Tax Liability	14,13,347.00	-
Gross deferred tax liability	**14,13,347.00**	**-**
Deferred tax assets		
Deferred Tax Assets	-	4,42,745.00
Gross deferred tax asset	**-**	**4,42,745.00**
Net deferred tax assets	**-**	**4,42,745.00**
Net deferred tax liability	**14,13,347.00**	**-**

Note No. 5 Provisions

₹ in rupees

Particulars	As at 31st March 2021			As at 31st March 2020		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Gratuity	18,91,851.00	5,095.00	18,96,946.00	3,59,561.00	61,590.00	4,21,151.00
Provision for Leave Encashment	-	18,80,878.00	18,80,878.00	-	10,23,160.00	10,23,160.00
Provision for Bonus	-	-	-	-	15,19,500.00	15,19,500.00
	18,91,851.00	**18,85,973.00**	**37,77,824.00**	**3,59,561.00**	**26,04,250.00**	**29,63,811.00**
Other provisions						
Audit fees payable	-	3,83,875.00	3,83,875.00	-	3,53,250.00	3,53,250.00
Expenses Payable	-	55,56,331.00	55,56,331.00	-	33,08,714.00	33,08,714.00
NPA Provision	-	22,96,079.00	22,96,079.00	-	32,26,653.00	32,26,653.00
Provision for Income Tax	-	71,84,520.00	71,84,520.00		34,07,423.00	34,07,423.00
	-	**1,54,20,805.00**	**1,54,20,805.00**		**1,02,96,040.00**	**1,02,96,040.00**
Total	**18,91,851.00**	**1,73,06,778.00**	**1,91,98,629.00**	**3,59,561.00**	**1,29,00,290.00**	**1,32,59,851.00**

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(F.Y. 2020-2021)

Note No. 6 Short-term borrowings

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Loans and Advances from related parties		
EQX Analytics Private Limited secured	1,74,87,423.00	-
	1,74,87,423.00	**-**
The Above Amount Includes		
Secured Borrowings	1,74,87,423.00	-
Total	**1,74,87,423.00**	**-**

Note No. 7 Trade payables

₹ in rupees

Particulars	As at 31st March 2021	As at31st March 2020
(B) Others		
Sundry creditors	2,74,48,188.00	25,45,63,049.00
	2,74,48,188.00	**25,45,63,049.00**
Total	**2,74,48,188.00**	**25,45,63,049.00**

Note No. 8 Other current liabilities

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Others payables		
Amount yet to be disbursed	1,06,50,753.00	1,43,39,493.00
Excess Payment Refundable	-	85,963.00
Interest Payable	13,13,493.00	14,89,637.00
Collection from Customers	76,98,519.00	61,53,541.00
Interest on GST Payable	-	1,63,960.00
Employee Reimbursement Payable	16,637.00	5,62,882.00
Director Reimbursement Payable	5,63,761.00	-
TDS Payable	28,43,666.00	1,09,94,240.00
GST Payable	1,24,216.00	94,500.00
Salary Payable	59,21,530.00	25,44,259.00
PF Payable	89,174.00	18,875.00
ESI Payable	3,758.00	1,469.00
	2,92,25,507.00	**3,64,48,819.00**
Total	**2,92,25,507.00**	**3,64,48,819.00**

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

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(F.Y. 2020-2021)

Note No. 9 Property,Plant and Equipment as at 31st March 2021

₹ in rupees

	Assets		Gross Block					Accumulated Depreciation/ Amortisation				Net Block	
		Useful Life (In Years)	Balance as at 1st April 2020	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2021	Balance as at 1st April 2020	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
A	**Tangible assets**												
	Own Assets												
	CPU	3.00	11,547.00	-	-	-	11,547.00	8,276.00	2,694.00	-	10,970.00	577.00	3,271.00
	Dinstar GSM Gateway	3.00	1,84,210.00	-	-	-	1,84,210.00	1,16,871.00	50,762.00	-	1,67,633.00	16,577.00	67,339.00
	Computer	3.00	14,537.00	-	-	-	14,537.00	10,318.00	3,492.00	-	13,810.00	727.00	4,219.00
	Office Equipments	5.00	42,353.00	-	-	-	42,353.00	30,356.00	9,879.00	-	40,235.00	2,118.00	11,997.00
	Total (A)		**2,52,647.00**	**-**	**-**	**-**	**2,52,647.00**	**1,65,821.00**	**66,827.00**	**-**	**2,32,648.00**	**19,999.00**	**86,826.00**
	P.Y Total		**2,52,647.00**	**-**	**-**	**-**	**2,52,647.00**	**85,807.00**	**80,014.00**	**-**	**1,65,821.00**	**86,826.00**	**1,66,840.00**
B	**Intangible assets**												
	Intangible assets		1,52,09,088.00	3,20,87,417.00	-	-	4,72,96,505.00	22,71,378.00	62,00,104.00	-	84,71,482.00	3,88,25,023.00	1,29,37,710.00
	Total (B)		**1,52,09,088.00**	**3,20,87,417.00**	**-**	**-**	**4,72,96,505.00**	**22,71,378.00**	**62,00,104.00**	**-**	**84,71,482.00**	**3,88,25,023.00**	**1,29,37,710.00**
	P.Y Total		**29,37,511.00**	**1,22,71,577.00**	**-**	**-**	**1,52,09,088.00**	**3,24,911.31**	**19,46,466.69**	**-**	**22,71,378.00**	**1,29,37,710.00**	**26,12,599.69**
C	**Capital work in progress**												
	Capital Work in Progress		25,70,095.00	-	-	25,70,095.00	-	-	-	-	-	-	25,70,095.00
	Total (C)		**25,70,095.00**	**-**	**-**	**25,70,095.00**	**-**	**-**	**-**	**-**	**-**	**-**	**25,70,095.00**
	P.Y Total		**19,91,198.00**	**25,70,095.00**	**-**	**19,91,198.00**	**25,70,095.00**	**-**	**-**	**-**	**-**	**25,70,095.00**	**19,91,198.00**
	Current Year Total (A + B + C)		**1,80,31,830.00**	**3,20,87,417.00**	**-**	**25,70,095.00**	**4,75,49,152.00**	**24,37,199.00**	**62,66,931.00**	**-**	**87,04,130.00**	**3,88,45,022.00**	**1,55,94,631.00**
	Previous Year Total		**51,81,356.00**	**1,48,41,672.00**	**-**	**19,91,198.00**	**1,80,31,830.00**	**4,10,718.31**	**20,26,480.69**	**-**	**24,37,199.00**	**1,55,94,631.00**	**47,70,637.69**

General Notes :

1. No depreciation if remaining useful life is negative or zero.
2. Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.
3. If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.









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Note No. 10 Loans and advances ₹ in rupees

Particulars	As at 31st March 2021		As at 31st March 2020	
	Long-term	Short-term	Long-term	Short-term
Other loans and advances				
Unsecured, considered good(Head)	-	91,84,31,442.00	-	98,04,69,285.00
	-	**91,84,31,442.00**	**-**	**98,04,69,285.00**
Total	**-**	**91,84,31,442.00**	**-**	**98,04,69,285.00**

Standard Asset: Asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to a business. Loans & advances without any specific stipulation for immediate repayment shall become due upon mutually agreed correspondence for repayment.

Sub Standard Asset: Asset in respect of which repayment is due for a period greater than 180 days and it remain due for a period up to 365 days.

Provision for Portfolio

Provisions for Loan Portfolio are made as per the Prudential Master Circular- Introduction of New Category of NBFCs - 'Non-Banking Financial Company-Non-Systemically Important Non-Deposit Taking Company Reserve Bank Directions' 2016 vide RBI/DNBR/2016-17/44 Master Direction DNBR.PD.007/03.10.119/2016-17 updated as on Aug 02, 2019.

The Amount of provision accounted in books is computed as follows:-

Type of asset	Days Past Due	Loan Book	Provision (%)	Total Provision	Provision (Opening Balance)	Provision to be created/ (reversed)
Standard Asset	0-180	91,84,31,442.00	0.25%	22,96,079.00	24,31,289.00	(1,35,211.00)
Sub- Standard	181-546	-	10%	-	7,95,364.00	(7,95,364.00)
Doubtful Asset 1	546-911	-	20%	-	-	-
Doubtful Asset 2	911-1276	-	30%	-	-	-
Doubtful Asset 3	1276-1641	-	50%	-	-	-
Total loan book outstanding as on 31.03.2021		**91,84,31,442.00**		22,96,079.00	**32,26,653.00**	**(9,30,574.00)**

Note No. 10(a) Loans and advances : Other loans and advances: Unsecured, considered good(Head) ₹ in rupees

Particulars	As at 31st March 2021		As at 31st March 2020	
	Long-term	Short-term	Long-term	Short-term
Loan Portfolio	-	91,84,31,442.00	-	98,04,69,285.00
Total	**-**	**91,84,31,442.00**	**-**	**98,04,69,285.00**

Note No. 11 Trade receivables ₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Exceeding six months		
Doubtful	9,50,715.00	-
Total	**9,50,715.00**	**-**
Less than six months		
Unsecured, Considered Good	22,42,16,316.00	-
Doubtful	-	9,50,715.00
Total	**22,42,16,316.00**	**9,50,715.00**
Total	**22,51,67,031.00**	**9,50,715.00**

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(F.Y. 2020-2021)

Note No. 12 Cash and cash equivalents

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Balance with banks		
ICICI- Escrow A/C	4,65,00,297.00	9,19,405.00
Balance with Banks	1,63,52,949.00	1,31,30,694.00
Total	**6,28,53,246.00**	**1,40,50,099.00**
Cash in hand		
Cash in hand	30,000.00	-
Total	**30,000.00**	**-**
Total	**6,28,83,246.00**	**1,40,50,099.00**

Note No. 13 Other current assets

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Other Assets		
Prepaid Expenses	57,969.00	53,443.00
TDS Receivable	37,759.00	2,910.00
Ex Gratia Receivable	78,93,585.00	-
GST Input	3,27,55,204.00	2,62,03,586.00
Accrued interest on loan	2,03,36,587.00	1,88,72,185.00
Advance Tax	-	15,00,000.00
Advance to Suppliers	1,200.00	14,59,246.00
Amount Recoverable	-	22,090.00
Collateral to Lenders	-	25,00,000.00
Other Receivables	1,43,50,241.00	65,42,583.00
TDS Unconsumed	8,51,479.00	12,608.00
Total	**7,62,84,024.00**	**5,71,68,651.00**

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(F.Y. 2020-2021)

Note No. 14 Revenue from operations

₹ in rupees

Particulars	31st March 2021	31st March 2020
Interest income from operations	20,26,88,954.00	50,15,23,153.00
Other financial services		
Processing Fees	-	2,54,37,697.00
Bad Debts Recovered	73,82,505.00	33,43,673.00
Bounce Charges	47,118.00	69,45,941.00
	74,29,623.00	**3,57,27,311.00**
Net revenue from operations	**21,01,18,577.00**	**53,72,50,464.00**

Note No. 15 Other income

₹ in rupees

Particulars	31st March 2021	31st March 2020
Interest Income		
Interest on Fixed Deposits	4,18,796.00	-
	4,18,796.00	-
Other non-operating income		
Foreign exchange Fluctuation	29.00	-
Balance Written off	6,13,920.00	-
Excess NPA Provision Reversal	9,30,574.00	-
	15,44,523.00	-
Total	**19,63,319.00**	-

Note No. 16 Employee benefit expenses

₹ in rupees

Particulars	31st March 2021	31st March 2020
Salaries and wages		
Salary and wages	2,71,30,633.00	3,03,94,637.00
Leave encashment	21,58,086.00	9,73,581.00
Director Remuneration	1,32,11,700.00	11,06,959.00
	4,25,00,419.00	**3,24,75,177.00**
Contribution to provident and other fund		
Employer Contribution ESI	26,771.00	16,542.00
Employer Contribution PF	2,84,487.00	1,31,400.00
Admin Charges PF	42,173.00	11,525.00
	3,53,431.00	**1,59,467.00**
Staff welfare Expenses		
Staff Welfare Expenses	35,934.00	14,878.00
	35,934.00	**14,878.00**
Total	**4,28,89,784.00**	**3,26,49,522.00**

Note No. 17 Finance costs

₹ in rupees

Particulars	31st March 2021	31st March 2020
Interest		
Other interest charges	3,81,789.00	-
	3,81,789.00	-
Other Borrowing costs		
Interest on Secured Borrowings	4,29,74,512.00	4,42,12,312.00
	4,29,74,512.00	**4,42,12,312.00**
Total	**4,33,56,301.00**	**4,42,12,312.00**

Note No. 18 Depreciation and amortization expenses

₹ in rupees

Particulars	31st March 2021	31st March 2020
Depreciation on tangible assets	66,827.00	80,014.00
Amortisation on intangible assets	62,00,104.00	19,46,466.69
Total	**62,66,931.00**	**20,26,480.69**

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Note No. 19 Other expenses

₹ in rupees

Particulars	31st March 2021	31st March 2020
Audit fees	4,15,000.00	3,90,000.00
Bank charges	24,08,141.00	27,11,247.00
ROC Fees	5,97,200.00	77,900.00
Professional fees	1,76,93,833.00	15,09,43,931.00
Credit Rating expenses	1,39,35,644.00	2,31,97,356.00
NPA Provision	-	10,54,263.00
Bank Statement Analysis Expenses	24,57,534.00	86,97,355.00
Business Promotion Expenses	1,23,811.00	8,56,200.00
Commission	2,59,84,327.00	5,77,17,745.00
Directors sitting fees	4,96,875.00	10,00,000.00
FLDG Expense	-	6,04,57,548.00
Interest on TDS	3,81,906.00	1,67,784.00
Late Filling Fees	13,330.00	58,500.00
Printing and stationery	38,125.00	17,70,466.00
Provision For Gratuity	14,75,795.00	1,25,232.00
Travel and Boarding and Lodging Expenses	92,089.00	2,21,724.00
Marketing expenses	2,64,453.00	34,17,424.00
Annual fees	11,781.00	10,000.00
Conveyance expenses	1,04,723.00	18,333.00
GST 50% Credit (expense)	79,91,512.00	2,41,60,348.00
Technologies Expenses	23,899.00	7,17,629.00
Bad debts- Greater than Rs 1,00,000	-	2,80,23,342.00
Bad debts- Less than Rs 1,00,000	20,00,870.00	7,59,66,485.00
Late Interest on GST	8,776.00	1,64,910.00
Office Expenses	19,300.00	1,57,673.00
Collection and Recovery Expenses	1,19,93,206.00	10,01,285.00
Physical and Tele Verification Expenses	4,64,647.00	1,95,103.00
Legal expenses	5,55,310.00	1,98,650.00
Manpower Expenses	2,00,000.00	24,16,200.00
Insurance expenses	42,799.00	1,407.00
Short and Excess	-	11,738.00
Advertising expenses	26,235.00	6,56,490.00
Rent	20,29,500.00	-
Foreclosure Charges	2,66,990.00	-
Total	**9,21,17,611.00**	**44,65,64,268.00**

Note No. 20 Current tax

₹ in rupees

Particulars	31st March 2021	31st March 2020
Current tax pertaining to current year	71,84,520.00	34,07,423.00
Total	**71,84,520.00**	**34,07,423.00**

Note No. 21 Deferred tax

₹ in rupees

Particulars	31st March 2021	31st March 2020
Deferred Tax Asset	4,42,745.00	(2,548.00)
Deferred Tax Liability	14,13,346.00	-
Total	**18,56,091.00**	**(2,548.00)**

Note No. 22 Earning Per Share

₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Basic				
Profit after tax (A)	1,84,10,658.00	83,93,006.31	1,84,10,658.00	83,93,006.31
Weighted average number of shares outstanding (B)	4,27,99,076	3,00,32,024	4,27,99,076	3,00,32,024
Basic EPS (A / B)	0.43	0.28	0.43	0.28
Face value per share	10.00	10.00	10.00	10.00

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

Note no. 23

1. COMPANY BACKGROUND

M/s Akara Capital Advisors Private Limited was incorporated on 11-02-2016 under the companies act 2013. The company was registered as a Non-Deposit taking Non-Banking Financial Company under section 45IA of the Reserve Bank of India (RBI) Act 1934.

The Authorized Share Capital of the company is Rs. 1,00,00,00,000.00 divided into 10,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per shares at all times. The Subscribed Share Capital of the company is Rs. 59,06,91,030.00 divided into 5,90,69,103 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 59,06,90,030 in the entire share capital of Akara Capital Advisors Private Limited.

The Company's registered office is at 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi 110003. In addition, company operates from Khasra no. 337, 1st Floor, CRC-II, M G Road, Sultanpur, Mehrauli, South West Delhi, Delhi, 110030. The company is in process of updating this address in RBI record.

Nature of Operations

Akara Capital Advisors Private Limited. ("The Company") is primarily engaged in business of lending activities for providing loans.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and the provisions of the Reserve

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

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Bank of India as applicable to a non-banking financial company. Financial Statements have been prepared under the historical cost convention on an accrual basis of accounting.

B. Use of Estimates

The preparation of financial statements, in accordance with the Generally Accepted Accounting Principles, require the management to make estimates and assumptions that effect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements, reported amount of expenses and revenues of the year and the amortized amount of preliminary expenditure of the year. Estimates and underlining assumptions are reviewed on ongoing basis. Actual results could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future at the date of the financial statements.

C. Current-Non Current Classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. It is to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is expected to be realized within 12 months after the reporting date; or
iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non- current financial assets. All other assets are classified as Non- current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. It is expected to be settled in the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;

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iii. It is due to be settled within 12 months after the reporting date; or

iv. The company does not have an unconditional right to defer the settlement of liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non- current financial liabilities. All other liabilities are classified as non-current.

Operating Cycle

Company has ascertained its operating cycle as 12 months that is the time gap between the acquisition of assets for processing and their realization in cash or cash equivalents.

D. Cash & Cash Equivalents

Cash & cash equivalents for the purpose of cash flow statement comprises cash in hand, cash in bank, fixed deposits and other short term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

E. Cash Flow Statement

Cash flow are reported using the indirect method whereby cash flows from operating, investing & financing activities of the company are segregated and profit before tax is adjusted for the effect of transactions of non-cash nature or any deferrals or accruals of past or future cash receipts or payments.

F. Property, Plant & Equipment

Property, Plant & Equipment comprising both tangible and intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

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Company has adopted cost model for all class of items of Property Plant and Equipment.

G. Depreciation

Depreciation on all fixed assets of the Company is provided on Straight Line Method at the rates specified in schedule II of the Companies Act, 2013.

H. Borrowing Costs

The Company has incurred borrowing cost during the Financial Year. The Borrowing Cost has been incurred on the loan facility availed from various lenders. The total expense amount incurred for the period ending 31st March 2021 is **Rs. 4,33,56,301**

I. Impairment of Assets

The Company identifies Impaired assets based on individual assets or cash generating unit concept at the year-end in terms of Para 5.13 of AS-28 issued by the ICAI for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged against revenue of the year.

J. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

I. Interest income on all loans upto 90 days is recognized under accrual basis. Beyond that or in case of any default on loan repayment interest income is recognized only when realized.

II. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.

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III. Processing fees on loans are recognized on upfront basis in the books of IT Service Provider as platform fees.(The IT Service Company provides a customer interface with Akara Capital Advisors Private Limited).

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.

All other income is recognized on an accrual basis.

The company has reported accrued interest income on loans amounting to **Rs 2,03,36,587.00** The Revenue is recognized for Interest Accrued but not received on Standard Asset upto 90 days till the period ended 31st March 2021.

K. Classification of Loan Portfolio and provisioning policy

Loan portfolio is classified and provision is made in accordance with the Non-Systematically Important Non-Banking Financial (Non Deposit Accepting or Holding) Companies Directions, 2015 issued by Reserve Bank of India as mentioned below-

The Loan Portfolio maintained in the books is inclusive of amount yet to be disbursed shown in current liabilities.

Asset Classification

The Company after taking into account the degree of defined credit weaknesses and extent of dependence on collateral security for realization, classify its loans and advances and any other forms of credit into the following classes, namely:

(i) Standard assets;
(ii) Sub-standard assets;
(iii) Doubtful assets; and
(iv) Loss assets.

Standard Asset: Standard asset shall mean the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem or carry more than normal risk attached to the business

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Sub-standard asset: Sub-standard asset shall mean an asset which has been classified as non-performing asset for a period not exceeding 18 months;

Doubtful asset: Doubtful Asset shall mean: a term loan, or a lease asset, a hire purchase asset, or any other asset, which remains a sub-standard asset for a period exceeding 18 months

Loss Asset: Loss Asset shall mean:

(a) An asset which has been identified as loss asset by the company or its internal or external auditor or by the Reserve Bank during the inspection of the applicable NBFC, to the extent it is not written off by the company ; and

(b) An asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower

Non-Performing Asset:

(a) An asset, in respect of which, interest has remained overdue for a period of six months or more;

(b) A term loan inclusive of unpaid interest, when the installment is overdue for a period of six months or more or on which interest amount remained overdue for a period of six months or more;

(c) A demand or call loan, which remained overdue for a period of six months or more from the date of demand or call or on which interest amount remained overdue for a period of six months or more;

(d) A bill which remains overdue for a period of six months or more;

(e) The interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans / advances, which facility remained overdue for a period of six months or more;

(f) Any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of six months or more;

(g) The lease rental and hire purchase installment, which has become overdue for a period of twelve months or more;

(h) in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower / beneficiary when any of the above credit facilities becomes non-performing asset :

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(ii) Provisioning Policy for Portfolio Loans & Advances

Provision for Portfolio

Provisions for non-performing assets are made as per the Prudential Master Circular-Introduction of New Category of NBFCs - 'Non-Banking Financial Company-Non-Systemically Important Non-Deposit Taking Company Reserve Bank Directions' 2016 vide RBI/DNBR/2016-17/44 Master Direction DNBR.PD.007/03.10.119/2016-17 updated as on February 17, 2020.

The aggregate loan provision of the company shall be

i) 0.25% of the Loan Portfolio Outstanding

ii) 10% of the loan portfolio outstanding in case of sub-standard assets

iii) 100% In case of Doubtful and Unsecured Assets

iv) In case of Doubtful and Secured Assets

a) Upto One Year 20%

b) One to Three year 30%

c) More than Three year 50%

v) 100% in case of Loss assets

The Amount of provision accounted in books is computed as follows:-

Type of asset	Days Past Due	Loan Book	Provision (%)	Total Provision	Provision (Opening Balance)	Provision to be created/ (reversed)
Standard Asset	0-180	91,84,31,442.00	0.25%	22,96,079.00	24,31,289.00	(1,35,211.00)
Sub- Standard	181-546	-	10%	-	7,95,364.00	(7,95,364.00)
Doubtful Asset 1	546-911	-	20%	-	-	-
Doubtful Asset 2	911-1276	-	30%	-	-	-
Doubtful Asset 3	1276-1641	-	50%	-	-	-
Total loan book outstanding as on 31.03.2021		**91,84,31,442.00**		22,96,079.00	**32,26,653.00**	**(9,30,574.00)**

The NPA Provision has been reversed during the year amounting to Rs 9,30,574.00.

The Company has also reported Bad Debts during the year:-

Bad Debts (Less Than Rs 1,00,000 Each)- Rs 20,00,870.00

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Bad Debts amounting to Rs 73,82,505 has also been recovered during the year.

L. Expenditure

The provision is made for all the known losses and liabilities.

M. Income Taxes

i) Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantively enacted tax rates.

ii) Deferred Tax Assets (DTA) are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realised. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

iii) Current tax is the amount of tax payable on the taxable income including interest for the year as determined in accordance with the provisions of Income Tax Act, 1961.The Company has made a provision for Income Tax of **Rs 71,84,520.00** in the books.

N. Provisions

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events: it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

O. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit / loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of equity shares outstanding

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later time.

Computation of Earnings Per Share

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(A) Profit after taxation (Rs.)	1,84,10,658.00	83,93,007.00
(B) Weighted average number of equity shares (Nos)	4,27,99,076	3,00,32,024
(C) Earnings per share (in Rs.): [(A)/(B)]	0.43	0.28

3. Notes on Financial Statements

I. No interest has been paid/payable by the Company during the year to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. The above information is per the management representation provided on behalf of the vendors.

II. Balance reconciliations of Escrow Accounts is subject to management confirmation.

III. The balances receivables and payables are subject to confirmation and reconciliation. Pending such confirmation and reconciliation, the impact on accounts is not ascertainable at this stage.

IV. The company is a Small and Medium sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to Small & Medium Sized Company. Segment Reporting as per AS 17 is not mandatory for the Company being an SMC company.

V. To provide additional relief, the Government of India announced ex-gratia payment to lenders for waiving off compound interest for loans up to 2 crore for some category of borrowers. The Honourable Supreme Court has directed all banks and financial institutions to refund compound interest, interest on interest or penal interest collected during the moratorium period irrespective of the loan amount and category of borrowers. The Supreme Court also lifted the ban it had imposed on declaring accounts of borrowers as non-performing assets. The company had filed a claim for the Ex Gratia under the scheme for Rs 78,93,585.00. The Company made multiple attempts to pay the eligible borrowers through cheque issuance and direct deposit. Such refund to the eligible borrowers was completed in FY 2020-21.

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

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VI. The Company faces counter party risk as it uses services of payment gateways for collections which has had impact on company's settlement of funds in the financial year.

VII. **Retirement Benefits:-**

The gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the payment of Gratuity Act. The liability with regard to gratuity and compensated absences is accrued based on actuarial valuation at the Balance Sheet date, carried out by an Independent actuary Mr. Ashok Kumar Garg. The Gratuity Valuation is done both on Short Term Gratuity payable and Long Term Gratuity Payable and provided in the books on accrual basis as per AS-15(revised 2005) issued by The Institute of Chartered Accountants of India.

1: **Table Showing Changes in Present Value of Obligations:**

Period	From: 01-04-2020 To: 31-03-2021	From: 01-04-2019 To: 31-03-2020
Present value of the obligation at the beginning of the period	4,21,151	2,95,919
Interest cost	29,481	20,714
Current service cost	5,97,421	2,51,521
Past Service Cost	0	0
Benefits paid (if any)	0	0
Actuarial (gain)/loss	8,48,893	(1,47,003)
Present value of the obligation at the end of the period	18,96,946	4,21,151

2: Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31-03-2021	As on: 31-03-2020
Present value of the obligation at the end of the period	18,96,946	4,21,151
Fair value of plan assets at end of period	0	0
Net liability/(asset) recognized in Balance Sheet and related analysis	18,96,946	4,21,151
Funded Status - Surplus/ (Deficit)	(18,96,946)	(4,21,151)

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

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Notes to financial statements for the year ended March 31, 2021

3: Expense recognized in the statement of Profit and Loss:

Period	From: 01-04-2019 To: 31-03-2021	From: 01-04-2018 To: 31-03-2020
Interest cost	29,481	20,714
Current service cost	5,97,421	2,51,521
Past Service Cost	0	0
Expected return on plan asset	(0)	(0)
Net actuarial (gain)/loss recognized in the period	8,48,893	(1,47,003)
Expenses to be recognized in P&L	14,75,795	1,25,232

The Basis of Valuation is as listed below:

1: Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 31-03-2021	As on: 31-03-2020
Number of employees	33	17
Total monthly salary	18,54,616	6,87,058
Average Past Service(Years)	1.5	1.5
Average Future Service (yr.)	27.4	25.2
Average Age(Years)	32.6	34.8
Weighted average duration (based on discounted cash flows) in years	22	23
Average monthly salary	56,200	40,415

2: The assumptions employed for the calculations are tabulated:

Discount rate	7.00 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	0	0
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

3: Benefits valued:

Normal Retirement Age	60 Years	60 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr.)	15/26 * Salary * Past Service (yr.)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	2000000.00

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

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Notes to financial statements for the year ended March 31, 2021

4: Current Liability

Period	As on: 31-03-2021	As on: 31-03-2020
Current Liability (Short Term)*	5,095	61,590
Non-Current Liability (Long Term)	18,91,851	3,59,561
Total Liability	18,96,946	4,21,151

VIII. Movement in Deferred tax :

Deferred tax asset/liability has been estimated using the substantively enacted rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year.

Particulars	For the year ended 31.03.2021 (Rs)	For the year ended 31.03.2020 (Rs)
(a) The movement in deferred tax Liability is as follows:		
Opening Balance	-	
Current Year deferred tax expense	14,13,347.00	
Closing Balance	**14,13,347.00**	
(b) The movement in deferred tax Asset is as follows:		
Opening Balance	4,42,745.00	4,40,197.00
Current Year deferred tax credit	(4,42,745.00)	2,548.00
Closing Balance	-	4,42,745.00
Net Deferred Tax Asset/Liability as at the year end	**14,13,347.00**	**4,42,745.00**

IX. Expenditure in Foreign Currency:

Company has incurred the following expenses in foreign currency

Particulars	For the year ended 31.03.2021 (Rs)	For the year ended 31.03.2020 (Rs)
Expenditure in Foreign Currency	Nil	63,470.00

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

X. Payments to Auditors:-

Auditors Remuneration	2020-21	2019-20
Audit Fees	4,15,000.00	3,90,000.00
GST	7,47,00.00	70,700.00
Total	4,89,700.00	4,60,200.00

XI. Related Party Disclosure- Accounting Standard 18:

A. Names of the related parties:

Key Management Personnel	1. Ms. Shruti Aggarwal, Director. 2. Mr. Tushar Aggarwal, Director. 3. Mr. Satish Chandra Sinha, Director 4. Mr. Radhakrishnan Ramachandra Iyer, Director 5. Ms. Paveet, Company Secretary
Parties having Significant influence	1. Morus Technologies Pte Ltd (Holding Company of Akara Capital Advisors Private Limited) 2. EQX Analytics Private Limited (Company Having Common Director with Akara Capital Advisors Private Limited) 3. Titanium Fortune Financial Services Private Limited (Company Having Common Director with Akara Capital Advisors Private Limited)

B. Related Party transactions:

Transactions with Key Management Personnel

Particulars	FY 2020-21	FY 2019-20
(i)Managerial remuneration: Ms. Shruti Aggarwal	Rs 1,32,11,700.00	Rs 11 06,959 00
(ii)Managerial remuneration: Mr. Tushar Aggarwal	-	-
(iii)Managerial remuneration: Ms Paveet	Rs 2,04,507.00	Rs 2,04,000.00
(iv) Reimbursement of Expenses Ms. Shruti Aggarwal	Rs 4,78,214.00	Rs 57,99,664.00

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

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Notes to financial statements for the year ended March 31, 2021

Particulars	FY 2020-21	FY 2019-20
(v) Director Sitting Fees Mr. Satish Chandra Sinha	Rs 4,21,875.00	Rs 10,00,000.00
(vi) Director Sitting Fees Mr. Radhakrishnan Ramachandra Iyer	Rs 75,000.00	-

Balances with parties having significant influence FY 2020-21

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	Rs 32,30,75,620.00 CR	-	Rs 26,76,14,410.00	Rs 59,06,90,030.00 CR
(ii) EQX Analytics Private Limited Reimbursement of Expenses	Rs 4,97,20,854.31 CR	Rs 1,06,00,43,102.93	Rs 78,64,84,387.56	Rs 22,38,37,861.06 DR
(iii) EQX Analytics Private Limited Amount payable to EQX	Rs 18,95,52,184.60 CR	Rs 41,88,36,139.60	Rs 24,28,05,302.50	Rs 1,35,21,347.50 CR
(iv) EQX Analytics Private Limited Repayment of Loan	-	Rs 3,25,12,577.00	Rs 5,00,00,000.00	Rs 1,74,87,423.00 CR
(v) Titanium Fortune Financial Services Private Limited Amount Payable to Titanium	-	Rs 26,50,00,000.00	Rs 26,50,00,000.00	-

Balances with parties having significant influence FY 2019-20

Particulars	Opening Balance	Dr. Transaction	Cr. Transaction	Closing balance
(i) Morus Technologies Pte Limited Investment in shares of Akara	-	-	Rs 32,30,75,620.00	Rs 32,30,75,620.00 CR

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

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(ii) EQX Analytics Private Limited Reimbursement of Expenses	Rs 60,36,889.38 CR	Rs 1,03,82,71,982.12	Rs 1,08,19,55,947.05	Rs 4,97,20,854.31 CR
(iii) EQX Analytics Private Limited Amount payable to EQX	Rs 6,79,88,005.50 CR	Rs 12,10,37,802.90	Rs 24,26,01,982.00	Rs 18,95,52,184.60 CR
(iv) EQX Analytics Private Limited Repayment of Loan	-	-	-	-
(v) Titanium Fortune Financial Services Private Limited Amount Payable to Titanium	-	-	-	-

Note: Related party relationships are identified by the management of the company and relied upon by the auditor.

XII. The Company has not accepted any public deposit during the financial year and there is **NIL** outstanding as on **31.03.2021.**

XIII. The **Net Owned Fund** of the Company as on **31.03.2021** is **72,81,67,056.00 (Rupees Seventy Two Crore Eighty One Lakh Sixty Seven Thousand and Fifty Six Only).**

Net Owned Fund calculated as follows:	**Amount (Rs.)**
Paid up Equity Share Capital	**59,06,91,030.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**17,63,01,049.00**
Less: Deferred Tax Asset	----------
Less: Miscellaneous Expenditure	----------
Less: Intangible Assets	**(3,88,25,023.00)**
Total Net Owned Fund as on 31.03.2021(a)	**72,81,67,056.00**
Total Number of Outstanding Equity Shares as on 31.03.2021 (b)	**5,90,69,103**
Book Value Per Equity Share (a/b)	**12.32**

XIV. The Total Assets Size and Loan Asset Portfolios of the Company as on **31.03.2021** are **Rs. 1,32,16,10,765.00/- (Rupees One Hundred Thirty Two Crores Sixteen Lakhs Ten Thousand Seven Hundred Sixty Five only) and Rs. 91,84,31,442.00 /-(Rupees Ninety**

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

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One Crores Eighty Four Lakhs Thirty One Thousand Four Hundred and Forty Two only) respectively.

xv. The Capital Adequacy Ratio of the company is **55.09%** as on **31.03.2021.**

Statement showing calculation of Capital Adequacy Ratio

A	**Tier I Capital**	**72,81,67,056.00**
B	**Tier II Capital**	**-**
	Total of Adjusted Assets	**72,81,67,056.00**
C	**Risk Weighted Assets**	**132,16,10,765.00**
	Capital Adequacy Ratio [(A+B)/C]	**55.09%**

Tier I Capital calculated as follows:	**Amount**
Paid up Equity Share Capital	**59,06,91,030.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**17,63,01,049.00**
Less: Deferred Tax Asset	----------
Less: Miscellaneous Expenditure	----------
Less: Intangible Assets	**(3,88,25,023.00)**
Total Tier I Capital as on 31.03.2021(A)	**72,81,67,056.00**
Tier II Capital calculated as follows:	
Paid up Preference Share Capital (Optionally Converted)	----------
Add: General Provisions and Loss Reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth (1.25) percent of risk weighted assets.	----------
Total Tier II Capital as on 31.03.2021(B)	----------

Risk Weighted Assets Calculated as follows:-

Assets	**Amount (1)**	**Risk Weight (2)**	**Risk Weighted Assets (1*2)**
Cash & Bank Balance	6,28,83,246.00	100%	6,28,83,246.00
Deposits other than Lien Marked	0	0%	0
Deposits With Lien Marked	0	100%	0
Loan Portfolio	91,84,31,442.00	100%	91,84,31,442.00
Fixed Assets	3,88,45,022.00	100%	3,88,45,022.00
Security Deposits	0	100%	0
Advance Tax & MAT	0	100%	0
Staff Advances	0	0%	0

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PVT. LTD.

AKARA CAPITAL ADVISORS PVT. LTD.

Other Current Assets	30,14,51,055.00	100%	30,14,51,055.00
		Total (C)	**Rs 132,16,10,765.00**

XVI. Previous year figures have been regrouped / rearranged wherever necessary.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 24-09-2021

For and on behalf of the Board of Directors

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

PAVEET DHAIYA
Company Secretary
Membership No-35743

DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting their report on the business and operations of the Company along with summarized financials for the financial March 31, 2020.

1. Financial Results:

Particulars	**For the year ended March 31, 2020(in Rs.)**	**For the year ended March 31, 2019(in Rs.)**
Total Income	53,72,50,464.00	17,84,85,173.94
Expenditure	52,54,52,583.00	17,48,70,731.47
Profit/(Loss) before tax	1,17,97,881.00	36,14,442.47
Less: Tax Expenses	.	.
Current Tax	34,07,423.00	15,42,390.00
Previous Year Tax	0	0
Deferred Tax charge	-2,548.00	(3,97,708.11)
Profit /(Loss) for the year after taxation	83,93,007.00	24,69,760.58

2. State of the Company's Affairs:

Your Company was incorporated on 11th February, 2016 with the Registrar of Companies, Delhi. The Company is engaged in the activities of Finance and is registered with Reserve Bank of India as an NBFC and there is no change in the nature of business of the company.

During the Financial Year ended March 31, 2020, your Company earned a revenue of Rs. 53,72,50,464.00 (Rupees Fifty-Three Crore Seventy-Two Lakh Fifty Thousand Four Hundred Sixty-Four only) and incurred expenditure of Rs. 52,54,52,583.00 (Rupees Fifty-Two Crore Fifty-Four Lakh Fifty-Two Thousand Five Hundred Eighty-Three only). However, during the previous financial year ended March 31, 2019, your Company earned revenue of Rs. 17,84,85,173.94/- (Rupees Seventeen Crore Eighty-Four Lakh Eighty-Five Thousand One Hundred Seventy-Three and paise Ninety-Four only) and incurred an aggregate expenditure of Rs. 17,48,70,731.47 /- (Rupees Seventeen Crore Forty-Eight Lakh Seventy Thousand Seven Hundred Thirty-One and paise Forty-Seven Only). For the financial year ended March 31, 2020, the company made net profit of Rs. 83,93,007.00 (Rupees Eighty-Three Lakh Ninety-Three Thousand Seven Only). During the year ended on 31st March, 2019 the company made net profit of Rs. 24,69,760.58/- (Rupees Twenty-Four Lakh Sixty-Nine Thousand Seven Hundred Sixty and paise Fifty-Eight Only).

3. Dividend:

Although the Company has earned profit, the Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the Company's Dividend Distribution Policy, has decided that it would be prudent, not to recommended any dividend for the financial year ended March 31, 2020.

4. Transfer to Reserves:

During the financial year the Company has transferred INR 23,59,874.00 to Statutory reserves in terms of Section 45-IC of the Reserve Bank of India Act, 1934 and No amount is being transferred to the General Reserve for the year ended under review.

5. Change in the nature of business, if any:

There has been no change in the nature of business of the Company during financial year under review.

6. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year and the date of the report:

There have been no material changes and/or commitments occurred subsequent to the close of the financial year of the Company to which the balance sheet relates i.e. March 31, 2020 and upto the date of signing of this report, which might affect the financial position of the Company.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There has been no order, whatsoever, passed or issued by any regulators, courts or tribunals, which might affect the going concern status and company's operations in future.

8. Risk Management Policy, development and its implementation:

The Company's Risk Management Policy with a robust supporting risk management framework facilitates identification and assessment of new risks and review of presently identified risks. The process is based on identified risks and the risk events or factors which require regular assessment and quick response. Based on the probability & impact of the risk, the requisite controls and action plans have been designed and implemented. The Key Risk Indicators have been identified to measure the adequacy, effectiveness and efficiency of these, controls and action plans.

9. Internal Control Systems:

The Company's internal control systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

10. Directors' Responsibility Statement:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a 'going concern' basis; and

e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Public Deposits:

During the year under review, the Company has not accepted any deposits from the public within the meaning of Companies Act, 2013 and rules made there under.

12. Statutory Auditors:

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with

the Companies (Audit and Auditors) Rules, M/s Suri & Sudhir, Chartered Accountants, (FRN 000601N), Delhi appointed as Statutory Auditors of the Company for the period of 5 years starting from 01/04/2019 to 31/03/2024 in the Annual General Meeting of the Company held in 2019.

Board's explanation and Comments on Auditors report: The Notes on Accounts read with the Auditors Report are self-explanatory and therefore do not require any further comments or explanations as the Auditor's Report given by auditors of the Company doesn't contain any qualification, reservation or adverse remarks.

The Statutory Auditors in their report for the financial year ended March 31, 2020 does not refer about any fraud.

13. Cost Auditor:

As per the Section 148(1) of the Companies Act, 2013 the provisions of maintenance of cost records are not applicable on the Company for the Financial Year 2019-20.

14. Secretarial Auditor:

The Company was not required to appoint any Secretarial Auditor in terms of the applicable provisions of section 204 of the Companies Act, 2013 read with relevant rules framed there under during the period under review.

15. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:

The disclosure under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to foregoing matters are as follows.

a. Conservation of Energy:

Since the Company does not own any manufacturing facility, the particulars relating to conservation of Energy and technology absorption in the above rules are not applicable.

b. Technology Absorption:

The Company is not involved in any activity relating to technology absorption.

c. Foreign Exchange Earning & Outgo: (in Rs.)

The Foreign Exchange earnings & outgo during the year was as follows:

Particulars	**2019-20**	**2018-19**
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	63,470.00	2,40,968.53

16. Corporate Social Responsibility (CSR):

The provisions pertaining to the Corporate Social Responsibility ("**CSR**") in terms of the section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to the Company for the financial year ended March 31, 2020.

17. Extract of the Annual Return:

The details forming part of the extract of the Annual Return in Form MGT – 9, as per the provisions of Companies Act, 2013 read with relevant rules framed there under, is annexed to this report as "**Annexure A**".

18. Contracts or Arrangements Made with Related Parties Referred to in Sub-Section (1) of Section 188 of the Act

The Company has entered into the related party contract with EQX Analytics Private Limited in the earlier year(s). Based on this contract, certain related party transactions took place at arm's length basis in the ordinary course of business.

The details of related party and transactions with the related parties appears on the Note No. 20 (XI) of the Notes forming part of the Financial Statements of the Company.

19. Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013:

The Company has not entered into any transaction of or given, whether within the prescribed limit or beyond the limit, any loan, guarantee or investments under section 186 of the Companies Act, 2013. Accordingly, no disclosure is required to be made by the Company in this regard.

20. Related parties contract, transactions or arrangements:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were on an arm's length basis & in ordinary course of business. The details of the transactions with Related Parties are provided in the Form No. AOC 2 as annexed to this report as "**Annexure B"**.

21. Share Capital:

Share capital of the Company is Rs. 40,00,00,000/- divided into 4,00,00,000 equity shares of Rs. 10/- each. The Paid-up share capital of the Company is Rs. 3,23,07,6620/- divided into 3,23,07,662 equity shares of Rs. 10/- each. During the financial year 2019-20, there has been change in shareholding of the company after obtaining necessary RBI approval, Akara Capital Advisors Private Limited became wholly owned subsidiary of Morus Technologies Pte. Ltd. Further, the company has no subsidiary or joint ventures or associate companies.

a. Sweat Equity shares:

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

b. Issue of further Share Capital:

The Company has issued 65,38,450 equity Shares of Rs. 10 each during the Financial Year under review.

c. Buy back of Shares:

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

22. Number of meetings of the Board of Directors:

During the period under review, the Board of Directors of the Company met 19 (nineteen) 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. Refer Annexure 'C' below for details of Board meetings held.

23. Annual General Meeting/ Extra-Ordinary General Meeting:

During the financial year 2019-20, following are the details of the Annual General Meeting ("AGM") and Extra-Ordinary General Meeting ("EGM"):

Sr. No	Type of Meeting	Date of AGM/ EGM	Total Number of Members	Number of Members present
1.	AGM	September 30, 2019	2	2
2.	EGM	January 29, 2020	2	2

24. Directors and Key Managerial Personnel:

Board of Directors

The following directors are holding office:

Sr.	DIN	Name	Designation	Date of

No.				Appointment
1	01587360	Tushar Aggarwal	Director	11/02/2016
2	03598173	Satish Chandra Sinha	Director	25/07/2016
3	06867269	Shruti Aggarwal	Director	11/02/2016

Key Managerial Personnel

Sr. No.	PAN	Name	Designation	Date of Appointment
1	BBXPP6320D	Paveet Dahiya	Company Secretary	30/03/2018

25. Changes in Directors and Key Managerial Personnel:

During the year under review, there was no change in the composition of the Board of Directors of the Company.

26. Managerial Remuneration:

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

27. Secretarial Audit Report:

As the Company is not falling within the provisions of Section 204 of the Companies Act, 2013 read with relevant rules framed there under, therefore, no secretarial audit report is required to be obtained or annexed to this report.

28. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Following is the summary of sexual harassment complaints received and disposed-off during the financial year ended March 31, 2020:

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

29. Compliance with Secretarial Standard

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively

30. Acknowledgements:

The Directors wish to express their gratitude to the business associates, customers, bankers and agencies of union and state government and other stakeholders for their continues support and assistance.

By the Orders of Board of Directors

For **Akara Capital Advisors Private Limited**

Sd/-
Tushar Aggarwal
(Director)
DIN: 01587360
6A/2, Raj Narain Road, Civil Lines
New Delhi - 110054

Sd/-
Shruti Aggarwal
(Director)
DIN: 06867269
6A/2, Raj Narain Road, Civil Lines
New Delhi - 110054

Date: 08-09-2020
Place: New Delhi

Annexure B

Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and* Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

(a) Name(s) of the related party and nature of relationship:
(b) Nature of contracts/arrangements/transactions:
(c) Duration of the contracts / arrangements/transactions:
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:
(e) Justification for entering into such contracts or arrangements or transactions
(f) Date(s) of approval by the Board:
(g) Amount paid as advances, if any:
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts or arrangement or transactions at arm's length basis:

1. (a) Name(s) of the related party and nature of relationship: EQX Analytics Private Limited (Parties having Significant influence)
   (b) Nature of contracts/arrangements/transactions: Memorandum of Agreement (Availing the Line of Credit by Akara for meeting the financial requirements and for further on-lending to the customers as short-term personal loans for salaried individuals and make all reasonable efforts to recover the same and repaid to the EQX Analytics Private Limited)
   (c) Duration of the contracts / arrangements/transactions: 36 Months
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: On Arm Length Basis
   (e) Date(s) of approval by the Board, if any: 13th March 2020(Through Resolution by Circulation)
   (f) Amount paid as advances, if any: NIL
2. (a) Name(s) of the related party and nature of relationship: Ms. Shruti Aggarwal (Director)
   (b) Nature of contracts/arrangements/transactions: Remuneration & Reimbursement of Expenses
   (c) Duration of the contracts / arrangements/transactions: Continuous
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
   (e) Date(s) of approval by the Board, if any: NA
   (f) Amount paid as advances, if any: NIL
3. (a) Name(s) of the related party and nature of relationship: Mr. Satish Chandra Sinha (Director)
   (b) Nature of contracts/arrangements/transactions: Director Sitting Fees
   (c) Duration of the contracts / arrangements/transactions: Continuous
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
   (e) Date(s) of approval by the Board, if any: NA
   (f) Amount paid as advances, if any: NIL

Annexure C

Date of Board Meeting

Sr. No.	*Date of Board Meeting*
1	25/04/2019
2	08/05/2019
3	16/05/2019
4	29/05/2019
5	06/06/2019
6	11/06/2019
7	24/06/2019
8	26/06/2019
9	05/08/2019
10	21/08/2019
11	05/09/2019
12	12/09/2019
13	04/11/2019
14	20/12/2019
15	29/01/2020
16	01/02/2020
17	10/02/2020
18	02/03/2020
19	11/03/2020

INDEPENDENT AUDITOR'S REPORT

To the Members of **M/s Akara Capital Advisors Private Limited**

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **"M/s Akara Capital Advisors Private Limited"** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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.

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal & Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2.As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

SURI & SUDHIR

c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.

f. Being a private company, provisions of section 197 are not applicable to the company.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

h. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The management has represented that the company does not have any pending litigations and hence no provision/disclosure has been made against the same.

(ii) The company had not entered into any long term contracts including derivative contracts

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the company.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Anuj Arora
(Partner)
Memb. No.: 504815

UDIN No. 20504815AAAADK5779

Date: 08-09-2020
Place: New Delhi

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Akara Capital Advisors Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2020 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

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 maydeteriorate.

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, 2020, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Anuj Arora
(Partner)
Memb. No.: 504815

UDIN No. 20504815AAAADK5779

Date: 08-09-2020
Place: New Delhi

Annexure 'B' to the Auditors' Report

The Annexure referred to in Independent Auditors' Report of even date to the members **Akara Capital Advisors Private Limited** on the standalone financial statements for the year ended March 31, 2020, we report that:

(i) In respect of the Company's fixed assets

(a) The company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.

(b) All the assets have been physically verified by the management during the year at regular intervals according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

(c) Since the company is not in the possession of any immovable property hence this clause is not applicable.

(ii) As the Company do not possess any Inventory therefore Para (ii) do not apply.

(iii) The company has not granted any loan secured or unsecured to companies, firms, Limited liability partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act and hence provisions of para (iii) are not applicable to the company.

(iv) The company has not given any loans & advances to directors and parties covered under section 185 or loans and advances under section 186 of the Companies Act, 2013 and hence the provisions of paragraph (iv) are not applicable to the company.

(v) The company has not accepted any deposits and hence paragraph (v) of the order is not applicable to the company.

(vi) According to the information and explanations given to us, in our opinion the maintenance of cost records have not been prescribed for the company by the Central Government under subsection (1) of section 148 of the Companies Act.

(vii)

(a) The company is fairly regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, duty of customs, Goods & Services Tax (GST), cess and other statutory dues were in arrears as at 31st March'2020 for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us, there are no dues of Goods and service tax, income tax, cess and other statutory dues, which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank. In the absence of any debentures, the reporting on the debenture dues is not applicable on the company.

SURI & SUDHIR * NEW DELHI * CHARTERED ACCOUNTANTS

(ix) The company has not raised any money by way of Initial Public Offer (IPO) or further public offer (including debt instruments). The term loans were applied for the purpose for which they were obtained.

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

(xi) Being a private limited company, the provisions of section 197 and likewise the reporting under paragraph of the order are not applicable.

(xii) The company is not a nidhi company & hence paragraph (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 accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause (xiv) are not applicable to the company.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them.

(xvi) 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.

For Suri & Sudhir
Chartered Accountants
FRN: 000601N



Anuj Arora
(Partner)
Membership Number: 504815

Date: 08-09-2020
Place: New Delhi

UDIN No. 20504815AAAADK5779

(F.Y. 2019-2020)

AAOCA1452F
AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI-110003
CIN : U74110DL2016PTC290970
Ph No : 9643309883
Email : cofficer@akaracap.com

₹ in rupees

Balance Sheet as at 31st March 2020

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	1	32,30,76,620.00	25,76,92,120.00
Reserves and surplus	2	7,76,06,068.00	4,95,97,711.77
Money received against share warrants			
		40,06,82,688.00	30,72,89,831.77
Share application money pending allotment			1,50,00,000.00
Non-current liabilities			
Long-term borrowings	3	36,37,21,719.00	14,88,33,964.00
Deferred tax liabilities (Net)	4		
Other long term liabilities		3,59,561.00	2,94,972.00
Long-term provisions	5		
		36,40,81,280.00	14,91,28,936.00
Current liabilities			
Short-term borrowings	6		
Trade payables			9,16,64,268.00
(A) Micro enterprises and small enterprises		25,36,12,334.00	4,97,87,805.00
(B) Others		2,22,32,594.00	1,13,11,140.92
Other current liabilities	7	2,71,16,515.00	
Short-term provisions	5		
		30,29,61,443.00	15,27,63,213.92
		1,06,77,25,411.00	62,41,81,981.69
TOTAL			
ASSETS			
Non-current assets	8		1,66,840.00
Fixed assets		86,826.00	26,12,599.69
Tangible assets		1,29,37,710.00	19,91,198.00
Intangible assets		25,70,095.00	
Capital work-in-Progress			
Intangible assets under development			
Non-current investments	4	4,42,745.00	4,40,197.00
Deferred tax assets (net)	9		
Long-term loans and advances			
Other non-current assets		**1,60,37,376.00**	52,10,834.69
Current assets			
Current investments			
Inventories			
Trade receivables	10	1,40,50,099.00	1,19,40,144.00
Cash and cash equivalents	9	98,04,69,285.00	59,40,44,693.00
Short-term loans and advances	11	5,71,68,651.00	1,29,77,310.00
Other current assets		**1,05,16,88,035.00**	61,89,71,147.00
		1,06,77,25,411.00	62,41,81,981.69
TOTAL			

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

ANUJ ARORA
PARTNER
Membership No.: 504819
Place: NEW DELHI

For and on behalf of the Board of Directors

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

PAVEET
Membership No-35743

(F.Y. 2019-2020)

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AKARA CAPITAL ADVISORS PRIVATE LIMITED
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CIN : U74110DL2016PTC290970
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₹ in rupees

Statement of Profit and loss for the year ended 31st March 2020

Particulars	Note No.	31st March 2020	31st March 2019
Revenue	12	53,72,50,464.00	17,84,72,318.94
Revenue from operations		-	-
Less: Excise duty		**53,72,50,464.00**	**17,84,72,318.94**
Net Sales	13	-	12,855.00
Other income		**53,72,50,464.00**	**17,84,85,173.94**
Total revenue			
Expenses		-	-
Cost of material Consumed		-	-
Purchase of stock-in-trade		-	-
Changes in inventories	14	3,26,32,980.00	1,06,44,058.00
Employee benefit expenses	15	4,42,12,312.00	1,15,73,349.03
Finance costs	16	20,26,481.00	3,97,548.31
Depreciation and amortization expenses	17	44,65,80,809.00	15,22,55,776.13
Other expenses		**52,54,52,583.00**	**17,48,70,731.47**
Total expenses		**1,17,97,881.00**	**36,14,442.47**
Profit before exceptional, extraordinary and prior period items and tax		-	-
Exceptional items		**1,17,97,881.00**	**36,14,442.47**
Profit before extraordinary and prior period items and tax		-	-
Extraordinary items		-	-
Prior period item		**1,17,97,881.00**	**36,14,442.47**
Profit before tax			
Tax expenses	18	34,07,423.00	15,42,390.00
Current tax	19	(2,548.00)	(3,97,708.11)
Deferred tax		-	-
Excess/short provision relating earlier year tax		**83,93,007.00**	**24,69,760.58**
Profit(Loss) for the period			
Earnings per share	20		
Basic		0.28	0.18
Before extraordinary Items		0.28	0.18
After extranrdinary Adjustment		-	-
Diluted		-	-
Before extraordinary Items			
After extraordinary Adjustment			

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000501N)

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 08/09/2020

TUSHAR AGGARWAL
Director
DIN: 01687360

SHRUTI AGGARWAL
Director
DIN: 06867269

For and on behalf of the Board of Directors

PAVEET
Membership No-35743

(F.Y. 2019-2020)

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₹ in rupees

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2020

	PARTICULARS	31st March 2020	31st March 2019
A.	**Cash Flow From Operating Activities**		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	1,17,97,881.00	36,14,442.47
	Adjustments for non-Cash/ Non trade items:		
	Depreciation & Amortization Expenses	20,26,481.00	3,97,548.31
	Finance Cost	4,42,12,312.00	1,15,73,349.03
	Dividend income	-	(12,855.00)
	Other Inflows / (Outflows) of cash	6,93,47,475.00	4,82,78,280.49
	Operating profits before Working Capital Changes	**12,73,84,149.00**	**6,38,50,765.30**
	Adjusted For:		
	Increase / (Decrease) in trade payables	16,19,48,066.00	6,68,27,853.19
	Increase / (Decrease) in other current liabilities	(1,36,14,870.00)	5,73,23,490.67
	(Increase) / Decrease in Short Term Loans & Advances	(38,64,24,592.00)	(47,04,57,590.42)
	(Increase) / Decrease in other current assets	(4,41,91,341.00)	(1,04,98,720.52)
	Cash generated from Operations	**(15,48,98,588.00)**	**(29,29,54,201.78)**
	Income Tax (Paid) / Refund	(15,42,390.00)	-
	Net Cash flow from Operating Activities(A)	**(15,64,40,978.00)**	**(29,29,54,201.78)**
B.	**Cash Flow From Investing Activities**		
	Purchase of tangible assets	(25,70,095.00)	(21,00,198.00)
	Proceeds from sales of tangible assets	19,91,198.00	-
	Purchase of intangible assets	(1,22,71,577.00)	(29,37,511.00)
	Dividends received	-	12,855.00
	Net Cash used in Investing Activities(B)	**(1,28,50,474.00)**	**(50,24,854.00)**
C.	**Cash Flow From Financing Activities**		
	Finance Cost	(4,42,12,312.00)	(1,15,73,349.03)
	Increase in / (Repayment) of Long term borrowings	16,75,80,093.00	14,88,33,964.60
	Increase / (Decrease) in share capital	6,53,84,500.00	15,76,92,120.00
	Increase / (Decrease) in share application money pending allotment	(1,50,00,000.00)	1,50,00,000.00
	Other Inflows / (Outflows) of cash	(23,59,874.00)	(8,36,702.49)
	Net Cash used in Financing Activities(C)	**17,13,92,407.00**	**30,91,16,033.08**
D.	**Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)**	**21,00,955.00**	**1,11,36,977.30**
E.	Cash & Cash Equivalents at Beginning of period	1,19,49,144.00	8,12,167.00
F.	Cash & Cash Equivalents at End of period	1,40,50,099.00	1,19,49,144.30
G.	**Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)**	**21,00,955.00**	**1,11,36,977.30**

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

As per our report of even date
For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 08/09/2020

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

For and on behalf of the Board of Directors

PAVEET
Membership No-35743

Note:

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

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(F.Y. 2019-2020)

Notes to Financial statements for the year ended 31st March 2020
The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

₹ in rupees

Note No. 1 Share Capital Particulars	As at 31st March 2020	As at 31st March 2019
Authorised : 4,00,00,000 (31/03/2019: 4,00,00,000) Equity shares of Rs. 10.00/- par value	40,00,00,000.00	40,00,00,000.00
Issued : 3,23,07,662 (31/03/2019: 2,57,69,212) Equity shares of Rs. 10.00/- par value	32,30,76,620.00	25,76,92,120.00
Subscribed and paid-up : 3,23,07,662 (31/03/2019: 2,57,69,212) Equity shares of Rs. 10.00/- par value	32,30,76,620.00	25,76,92,120.00
Total	**32,30,76,620.00**	**25,76,92,120.00**

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

₹ in rupees

Equity shares	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	2,57,69,212	25,76,92,120.00	1,00,00,000	10,00,00,000.00
Issued during the Period	65,38,450	6,53,84,500.00	1,57,69,212	15,76,92,120.00
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	**3,23,07,662**	**32,30,76,620.00**	**2,57,69,212**	**25,76,92,120.00**

Right, Preferences and Restriction attached to shares

Equity shares
The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shareholders holding more than 5% shares in the company

Type of Share	Name of Shareholders	As at 31st March 2020		As at 31st March 2019	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Tushar Aggarwal	-		2,57,68,212	100.00
Equity [NV: 10.00]	Morus Technologies Pte Limited	3,23,07,562	99.99	-	
	Total :	**3,23,07,562**	**99.99**	**2,57,68,212**	**100.00**

Note: During the year, there has been a change in shareholding of the company after obtaining necessary RBI Approval on 22-10-2019.

₹ in rupees

Note No. 2 Reserves and surplus Particulars	As at 31st March 2020	As at 31st March 2019
Surplus		
Opening Balance	15,67,161.00	(65,896.81)
Add: Profit for the year	83,83,007.00	24,69,760.58
Less: Other deductions to reserve	-	(1,13,814.00)
Less: Transfer to Special Reserve	(23,59,874.00)	(7,22,888.49)
Closing Balance	**76,00,294.00**	**15,67,161.28**
Securities premium	-	-
Opening Balance	6,69,23,012.00	4,73,07,662.00
Add: Addition during the year	-	-
Less : Deletion during the year	**6,69,23,012.00**	**4,73,07,662.00**
Closing Balance		
Reserves u/s 45I(C)	7,22,888.00	-
Opening Balance	23,59,874.00	7,22,888.49
Add: Addition during the year	-	-
Less : Deletion during the year	**30,82,762.00**	**7,22,888.49**
		4,95,97,711.77

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

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(F.Y. 2019-2020)

Note No. 3 Long-term borrowings

₹ in rupees

Particulars	As at 31st March 2020			As at 31st March 2019		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term Loan - From banks						
AU Small Finance Bank Private Limited secured	1,66,66,664.00	-	1,66,66,664.00	-	-	-
	1,66,66,664.00	**-**	**1,66,66,664.00**	**-**	**-**	**-**
Term Loan - From Others						
Western Capital Advisors Private Limited secured	2,50,00,000.00	-	2,50,00,000.00	-	-	-
Eclear Leasing and Finance Private Limited secured	2,05,24,885.00	-	2,05,24,885.00	-	-	-
Fusion Corporate Solutions Private Limited secured	2,23,00,443.00	-	2,23,00,443.00	-	-	-
Jainsons Finlease Limited secured	5,81,79,542.00	-	5,81,79,542.00	-	-	-
Northern Arc Capital secured	13,08,43,505.00	-	13,08,43,505.00	11,05,58,173.00	-	11,05,58,173.00
Usha Financial services Private Limited secured	2,11,37,245.00	-	2,11,37,245.00	-	-	-
Positive Moves India Consulting Private Limited secured	6,90,69,435.00	-	6,90,69,435.00	3,82,75,791.00	-	3,82,75,791.00
	34,70,55,055.00	**-**	**34,70,55,055.00**	**14,88,33,964.00**	**-**	**14,88,33,964.00**
The Above Amount Includes						
Secured Borrowings	36,37,21,719.00	-	36,37,21,719.00	14,88,33,964.00	-	14,88,33,964.00
Net Amount	**36,37,21,719.00**	**0**	**36,37,21,719.00**	**14,88,33,964.00**	**0**	**14,88,33,964.00**

Note No. 4 Deferred Tax

₹ in rupees

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred tax assets		
Deferred Tax Assets	4,42,745.00	4,40,197.00
Gross deferred tax asset	**4,42,745.00**	**4,40,197.00**
Net deferred tax assets	**4,42,745.00**	**4,40,197.00**
Net deferred tax liability	**-**	**-**

Note No. 5 Provisions

₹ in rupees

Particulars	As at 31st March 2020			As at 31st March 2019		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Gratuity	3,59,561.00	61,590.00	4,21,151.00	2,94,972.00	947.00	2,95,919.00
Salary Payable	-	25,44,259.00	25,44,259.00	-	11,10,886.00	11,10,886.00
PF Payable	-	18,875.00	18,875.00	-	-	-
ESI Payable	-	1,469.00	1,469.00	-	-	-
Employee Reimbursements	-	5,62,882.00	5,62,882.00	-	-	-
	3,59,561.00	**31,89,075.00**	**35,48,636.00**	**2,94,972.00**	**11,11,833.00**	**14,06,805.00**
Other provisions						
Audit fees payable	-	3,53,250.00	3,53,250.00	-	2,74,750.00	2,74,750.00
TDS Payable	-	1,09,94,240.00	1,09,94,240.00	-	31,25,292.00	31,25,292.00
Provision for Leave Encashment	-	10,23,160.00	10,23,160.00	-	5,38,715.00	5,38,715.00
GST Payable	-	94,500.00	94,500.00	-	201.00	201.00
Expenses Payable	-	33,08,714.00	33,08,714.00	-	25,45,571.92	25,45,571.92
NPA Provision	-	32,26,653.00	32,26,653.00	-	21,72,388.00	21,72,388.00
Provision for Income Tax	-	34,07,423.00	34,07,423.00	-	15,42,390.00	15,42,390.00
Provision for Bonus	-	15,19,500.00	15,19,500.00	-	-	-
	-	**2,39,27,440.00**	**2,39,27,440.00**	**-**	**1,01,99,307.92**	**1,01,99,307.92**
Total	**3,59,561.00**	**2,71,16,515.00**	**2,74,76,076.00**	**2,94,972.00**	**1,13,11,140.92**	**1,16,06,112.92**

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Note No. 6 Trade payables

₹ in rupees

Particulars	As at 31st March 2020	As at31st March 2019
(B) Others		
Sundry creditors	25,36,12,334.00	9,16,64,268.00
Total	**25,36,12,334.00**	**9,16,64,268.00**
	25,36,12,334.00	**9,16,64,268.00**

Note No. 7 Other current liabilities

₹ in rupees

Particulars	As at 31st March 2020	As at 31st March 2019
Others payables		
Advance EMI Received	-	26,806.00
Amount yet to be disbursed	1,43,39,493.00	1,41,59,717.00
Professional Fees Payable	-	9,91,839.00
Excess Payment Refundable	85,963.00	36,350.00
Interest Payable	14,89,637.00	8,04,690.00
Collection from Customers	61,53,541.00	68,30,597.00
Due to Co-lenders	-	2,69,37,806.00
Interest on GST Payable	1,63,960.00	-
	2,22,32,594.00	**4,97,87,805.00**
Total	**2,22,32,594.00**	**4,97,87,805.00**

Note No. 7(a) Other current liabilities: Due to Co-lenders

₹ in rupees

Particulars	31st March 2020	As at 31st March 2019
DMI	-	2,41,41,687.00
INCRED	-	27,96,119.00
Total	**-**	**2,69,37,806.00**

SURI & SUDHIR CHARTERED ACCOUNTANTS NEW DELHI

AOCA1452F
KARA CAPITAL ADVISORS PRIVATE LIMITED
), THIRD FLOOR, ARJUN NAGAR KOTLA MUBARAKPUR, DELHI-110003
IN : U74110DL2016PTC290970
h No : 9643309883
mail : cofficer@akaracap.com

(F.Y. 2019–2020)

te No. 8 Property, Plant and Equipment as at 31st March 2020

₹ in rupees

Assets		Gross Block					Accumulated Depreciation/ Amortisation				Net Block	
	Useful Life (In Years)	Balance as at 1st April 2019	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2020	Balance as at 1st April 2019	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2020	Balance as at 31st March 2020	Balance as at 31st March 2019
Tangible assets												
Own Assets												
CPU	3.00	11,547.00	-	-	-	11,547.00	4,619.00	3,657.00	-	8,276.00	3,271.00	6,928.00
Dinstar GSM Gateway	3.00	1,84,210.00	-	-	-	1,84,210.00	58,532.00	58,339.00	-	1,16,871.00	67,339.00	1,25,678.00
Computer	3.00	14,537.00	-	-	-	14,537.00	5,714.00	4,604.00	-	10,318.00	4,219.00	8,823.00
Office Equipments	5.00	42,353.00	-	-	-	42,353.00	16,942.00	13,414.00	-	30,356.00	11,997.00	25,411.00
Total (A)		**2,52,647.00**	-	-	-	**2,52,647.00**	**85,807.00**	**80,014.00**	-	**1,65,821.00**	**86,826.00**	**1,66,840.00**
P.Y Total		**1,43,647.00**	**1,09,000.00**	-	-	**2,52,647.00**	**13,170.00**	**72,637.00**	-	**85,807.00**	**1,66,840.00**	**1,30,477.00**
Intangible assets												
Intangible assets		29,37,511.00	1,22,71,577.00	-	-	1,52,09,088.00	3,24,911.31	19,46,466.69	-	22,71,378.00	1,29,37,710.00	26,12,599.69
Total (B)		**29,37,511.00**	**1,22,71,577.00**	-	-	**1,52,09,088.00**	**3,24,911.31**	**19,46,466.69**	-	**22,71,378.00**	**1,29,37,710.00**	**26,12,599.69**
P.Y Total		-	**29,37,511.00**	-	-	**29,37,511.00**	-	**3,24,911.31**	-	**3,24,911.31**	**26,12,599.69**	-
Capital work in progress												
Capital Work in Progress		19,91,198.00	25,70,095.00	-	19,91,198.00	25,70,095.00	-	-	-	-	25,70,095.00	19,91,198.00
Total (C)		**19,91,198.00**	**25,70,095.00**	-	**19,91,198.00**	**25,70,095.00**	-	-	-	-	**25,70,095.00**	**19,91,198.00**
P.Y Total		-	**19,91,198.00**	-	-	**19,91,198.00**	-	-	-	-	**19,91,198.00**	-
Current Year Total (A + B + C)		**51,81,356.00**	**1,48,41,672.00**	-	**19,91,198.00**	**1,80,31,830.00**	**4,10,718.31**	**20,26,480.69**	-	**24,37,199.00**	**1,55,94,631.00**	**47,70,637.69**
Previous Year Total		**1,43,647.00**	**50,37,709.00**	-	-	**51,81,356.00**	**13,170.00**	**3,97,548.31**	-	**4,10,718.31**	**47,70,637.69**	**1,30,477.00**

ral Notes :

No depreciation if remaining useful life is negative or zero.

Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.

If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

In case of leap year, depreciation is calculated on the basis of 366 days in a year.

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Note No. 9 Loans and advances

₹ in rupees

Particulars	As at 31st March 2020		As at 31st March 2019	
	Long-term	Short-term	Long-term	Short-term
Other loans and advances				
Unsecured, considered good(Head)	-	98,04,69,285.00	-	59,40,44,693.00
Total	-	**98,04,69,285.00**	-	**59,40,44,693.00**
	-	**98,04,69,285.00**	-	**59,40,44,693.00**

Standard Asset: Asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to a business. Loans & advances without any specific stipulation for immediate repayment shall become due upon mutually agreed correspondence for repayment.

Sub Standard Asset: Asset in respect of which repayment is due for a period greater than 180 days and it remain due for a period up to 365 days.

Provision for Portfolio
Provisions for Loan Portfolio are made as per the Prudential Master Circular- Introduction of New Category of NBFCs - 'Non-Banking Financial Company-Non-Systemically Important Non-Deposit Taking Company Reserve Bank Directions' 2016 vide RBI/DNBR/2016-17/44 Master Direction DNBR.PD.007/03.10.119/2016-17 updated as on Aug 02, 2019.

The Amount of provision accounted in books is computed as follows:-

Type of asset	Days Past Due	Loan Book	Provision (%)	Total Provision	Provision (Opening Balance)	Provision to be created
Standard Asset	0-180	97,25,15648.00	0.25%	24,31,289.00	14,67,489.00	9,63,800.00
Sub- Standard	181-546	79,53,637.00	10%	7,95,364.00	7,04,901.00	90,463.00
Doubtful Asset 1	546-911	0	20%			
Doubtful Asset 2	911-1276	0	30%			
Doubtful Asset 3	1276-1641	0	50%			
Total loan book outstanding as on 31.03.2020		**98,04,69,285.00**		**32,26,653.00**	**21,72,390.00**	**10,54,263.00**

Note No. 9(a) Loans and advances : Other loans and advances: Unsecured, considered good(Head)

₹ in rupees

Particulars	As at 31st March 2020		As at 31st March 2019	
	Long-term	Short-term	Long-term	Short-term
Loan Portfolio	-	98,04,69,285.00	-	59,40,44,693.00
Total	-	**98,04,69,285.00**	-	**59,40,44,693.00**

Note No. 10 Cash and cash equivalents

₹ in rupees

Particulars	As at 31st March 2020	As at 31st March 2019
Balance with banks		
Partner Escrow A/c	-	52,649.00
ICICI- Escrow A/C	9,19,405.00	7,96,823.00
Balance with Banks	1,31,30,694.00	1,10,99,672.00
Total	**1,40,50,099.00**	**1,19,49,144.00**

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

Capital Advisors Pvt. Ltd.

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Note No. 11 Other current assets

₹ in rupees

Particulars	As at 31st March 2020	As at 31st March 2019
Other Assets		
Advance Tax	15,00,000.00	-
Accrued interest on loan	1,88,72,185.00	52,50,059.00
Balance in Paytm A/c	-	1,209.00
Advance to Suppliers	14,59,246.00	-
Amount Recoverable	22,090.00	-
Collateral to Lenders	25,00,000.00	-
Other Receivables	65,42,583.00	7,088.00
TDS Unconsumed	12,608.00	-
TDS Receivable	2,910.00	-
Prepaid Expenses	53,443.00	-
GST Input	2,62,03,586.00	77,18,954.00
Total	**5,71,68,651.00**	**1,29,77,310.00**

Note No. 12 Revenue from operations

₹ in rupees

Particulars	31st March 2020	31st March 2019
Interest income from operations	50,15,23,153.00	15,80,52,945.91
Other financial services		
Processing Fees	2,54,37,697.00	2,04,19,373.03
Bad Debts Recovered	33,43,673.00	-
Bounce Charges	69,45,941.00	-
	3,57,27,311.00	**2,04,19,373.03**
Net revenue from operations	**53,72,50,464.00**	**17,84,72,318.94**

Note No. 13 Other income

₹ in rupees

Particulars	31st March 2020	31st March 2019
Interest from income tax refund	-	12,855.00
Total	-	**12,855.00**

Note No. 14 Employee benefit expenses

₹ in rupees

Particulars	31st March 2020	31st March 2019
Salaries and wages		
Salary and wages	3,05,37,562.00	88,38,088.00
Leave encashment	9,73,581.00	7,51,386.00
Director Remuneration	11,06,959.00	10,54,584.00
	3,26,18,102.00	**1,06,44,058.00**
Staff welfare Expenses		
Staff Welfare Expenses	14,878.00	-
	14,878.00	-
Total	**3,26,32,980.00**	**1,06,44,058.00**

Note No. 15 Finance costs

₹ in rupees

Particulars	31st March 2020	31st March 2019
Other Borrowing costs		
Interest on Secured Borrowings	4,42,12,312.00	1,15,73,349.03
	4,42,12,312.00	**1,15,73,349.03**
Total	**4,42,12,312.00**	**1,15,73,349.03**

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

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Note No. 16 Depreciation and amortization expenses

₹ in rupees

Particulars	31st March 2020	31st March 2019
Depreciation on tangible assets	80,014.00	72,637.00
Amortisation on intangible assets	19,46,467.00	3,24,911.31
Total	**20,26,481.00**	**3,97,548.31**

Note No. 17 Other expenses

₹ in rupees

Particulars	31st March 2020	31st March 2019
Audit fees	3,90,000.00	2,90,000.00
Bank charges	27,11,247.00	10,09,290.94
Subscription fees	-	5,450.00
ROC Fees	77,900.00	18,31,200.00
Professional fees	15,09,43,931.00	7,55,42,574.24
Credit Bureau expenses	2,31,97,356.00	73,02,585.04
NPA Provision	10,54,263.00	18,30,031.00
Bank Statement Analysis Expenses	86,97,355.00	62,02,279.75
Business Promotion Expenses	8,56,200.00	8,70,572.65
Commission	5,77,17,745.00	3,03,71,396.96
Directors sitting fees	10,00,000.00	27,250.00
FLDG Expense	6,04,57,548.00	1,09,334.60
Employer Contribution ESI	16,542.00	9,277.00
Interest on TDS	1,67,784.00	43,813.50
Late Filling Fees	58,500.00	2,023.00
Printing and stationery	17,70,466.00	22,78,889.00
Provision For Gratuity	1,25,232.00	2,48,514.00
Travel and Boarding and Lodging Expenses	2,21,724.00	2,80,671.74
Marketing expenses	34,17,424.00	3,71,689.09
Annual fees	10,000.00	10,900.00
BPO services	-	33,750.00
Conveyance expenses	18,333.00	30,152.00
GST 50% Credit (expense)	2,41,60,348.00	8,27,870.24
Integration and setup fees	-	27,250.00
Recruitment services	-	43,600.00
Technologies Expenses	7,17,629.00	2,88,364.20
Bad debts- Greater than Rs 1,00,000	2,80,23,342.00	19,40,246.00
Bad debts- Less than Rs 1,00,000	7,59,66,485.00	2,03,91,066.00
Late Interest on GST	1,64,910.00	22,548.00
Other Marketing expenses	-	6,212.58
Office Expenses	1,57,673.00	6,974.60
Collection and Recovery Expenses	10,01,285.00	-
Physical and Tele Verification Expenses	1,95,103.00	-
Legal expenses	1,98,650.00	-
Manpower Expenses	24,16,200.00	-
Insurance expenses	1,407.00	-
Short and Excess	11,737.00	-
Advertising expenses	6,56,490.00	-
Total	**44,65,80,809.00**	**15,22,55,776.13**

Note No. 18 Current tax

₹ in rupees

Particulars	31st March 2020	31st March 2019
Current tax pertaining to current year	34,07,423.00	15,42,390.00
Total	**34,07,423.00**	**15,42,390.00**

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

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Note No. 19 Deferred tax

₹ in rupees

Particulars	31st March 2020	31st March 2019
Deferred Tax Asset	(2,548.00)	(3,97,708.11)
Total	**(2,548.00)**	**(3,97,708.11)**

Note No. 20 Earning Per Share

₹ in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Basic				
Profit after tax (A)	83,93,007.00	24,69,760.58	83,93,007.00	24,69,760.58
Weighted average number of shares outstanding (B)	3,00,32,024	1,40,70,506	3,00,32,024	1,40.70,506
Basic EPS (A / B)	0.28	0.18	0.28	0.18
Face value per share	10.00	10.00	10.00	10.00

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

Notes to financial statements for the year ended March 31, 2020

Note no. 21

1. COMPANY BACKGROUND

M/s Akara Capital Advisors Private Limited was incorporated on 11-02-2016 under the Companies act 2013. The company was registered as a Non-Deposit taking Non-Banking Financial Company under section 45IA of the Reserve Bank of India (RBI) Act 1934.

The Authorized Share Capital of the company is Rs. 40,00,00,000.00 divided into 4,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per shares at all times. The Subscribed Share Capital of the company is Rs. 32,30,76,620.00 divided into 3,23,07,662 ordinary equity shares of Rs. 10/- carrying one voting rights per shares at all times.

Nature of Operations

Akara Capital Advisors Private Limited. ("the Company") is primarily engaged in business of lending activities for providing loans.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and the provisions of the Reserve Bank of India as applicable to a non-banking financial company. Financial Statements have been prepared under the historical cost convention on an accrual basis of accounting.

B. Use of Estimates

The preparation of financial statements, in accordance with the Generally Accepted Accounting Principles, require the management to make estimates and assumptions that effect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial

statements, reported amount of expenses and revenues of the year and the amortized amount of preliminary expenditure of the year. Estimates and underlining assumptions are reviewed on ongoing basis. Actual results could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future at the date of the financial statements.

C. **Current-Non Current Classification**

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. It is to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is expected to be realized within 12 months after the reporting date; or
iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non- current financial assets. All other assets are classified as Non- current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. It is expected to be settled in the Company's normal operating cycle;
ii. It is held primarily for the purpose of being traded;
iii. It is due to be settled within 12 months after the reporting date; or
iv. The company does not have an unconditional right to defer the settlement of liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non- current financial liabilities. All other liabilities are classified as non-current.

Operating Cycle

Company has ascertained its operating cycle as 12 months that is the time gap between the acquisition of assets for processing and their realization in cash or cash equivalents.

D. **Cash & Cash Equivalents**

Cash & cash equivalents for the purpose of cash flow statement comprises cash in hand, cash in bank, fixed deposits and other short term highly liquid investments with an original maturity of three months or less that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

E. **Cash Flow Statement**

Cash flow are reported using the indirect method whereby cash flows from operating, investing & financing activities of the company are segregated and profit before tax is adjusted for the effect of transactions of non-cash nature or any deferrals or accruals of past or future cash receipts or payments.

F. **Property, Plant & Equipment**

Property, Plant & Equipment comprising both tangible and intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

G. **Depreciation**

Depreciation on all fixed assets of the Company is provided on Straight Line Method at the rates specified in schedule II of the Companies Act, 2013.

H. **Borrowing Costs**

The Company has incurred borrowing cost during the Financial Year. The Borrowing Cost has been incurred on the loan facility availed from various lenders as listed below:-

The total amount incurred for the period ending 31st March 2020 is **Rs 4,42,12,312.00.**

SURI & SUDHIR

Notes to financial statements for the year ended March 31, 2020

I. Impairment of Assets

The Company identifies Impairable assets based on individual assets or cash generating unit concept at the year-end in terms of Para 5.13 of AS-28 issued by the ICAI for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged against revenue of the year.

J. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

I. Interest income on all loans given which are standard is recognized under accrual basis. In case of any default on loan repayment interest income is recognized only when realized.

II. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.

III. Processing fees on loans are recognized on upfront basis. Bounce Charges are being recorded on defaults made in payment.

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.

All other income is recognized on an accrual basis.

The company has reported accrued interest income on loans amounting to **Rs 1,88,72,185.00** The Revenue is recognised for Interest Accrued but not received on Standard Asset up to 31st March 2020 .

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

Akara Capital Advisors Pvt. Ltd.

Akara Capital Advisors Pvt. Ltd.

Akara Capital Advisors Pvt. Ltd.

K. Classification of Loan Portfolio and provisioning policy

Loan portfolio is classified and provision is made in accordance with the Non-Systematically Important Non-Banking Financial (Non Deposit Accepting or Holding) Companies Directions, 2015 issued by Reserve Bank of India as mentioned below-

The Loan Portfolio maintained in the books is inclusive of amount yet to be disbursed shown in current liabilities.

Asset Classification

The Company after taking into account the degree of defined credit weaknesses and extent of dependence on collateral security for realisation, classify its loans and advances and any other forms of credit into the following classes, namely:

(i) Standard assets;
(ii) Sub-standard assets;
(iii) Doubtful assets; and
(iv) Loss assets.

Standard Asset: Standard asset shall mean the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem or carry more than normal risk attached to the business

Sub-standard asset: Sub-standard asset shall mean an asset which has been classified as non-performing asset for a period not exceeding 18 months;

Doubtful asset: Doubtful Asset shall mean: a term loan, or a lease asset, a hire purchase asset, or any other asset, which remains a sub-standard asset for a period exceeding 18 months

Loss Asset: Loss Asset shall mean:

(a) An asset which has been identified as loss asset by the company or its internal or external auditor or by the Reserve Bank during the inspection of the applicable NBFC, to the extent it is not written off by the company ; and

(b) An asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower

Non-Performing Asset:

(a) An asset, in respect of which, interest has remained overdue for a period of six months or more;

(b) A term loan inclusive of unpaid interest, when the installment is overdue for a period of six months or more or on which interest amount remained overdue for a period of six months or more;

(c) A demand or call loan, which remained overdue for a period of six months or more from the date of demand or call or on which interest amount remained overdue for a period of six months or more;

(d) A bill which remains overdue for a period of six months or more;

(e) The interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans / advances, which facility remained overdue for a period of six months or more;

(f) Any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of six months or more;

(g) The lease rental and hire purchase installment, which has become overdue for a period of twelve months or more;

(h) in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower / beneficiary when any of the above credit facilities becomes non-performing asset :

Notes to financial statements for the year ended March 31, 2020

(ii) Provisioning Policy for Portfolio Loans & Advances

Provision for Portfolio

Provisions for non-performing assets are made as per the Prudential Master Circular-Introduction of New Category of NBFCs - 'Non-Banking Financial Company-Non-Systemically Important Non-Deposit Taking Company Reserve Bank Directions' 2016vide RBI/DNBR/2016-17/44 Master Direction DNBR.PD.007/03.10.119/2016-17 updated as on February 17,2020.

The aggregate loan provision of the company shall be

i) 0.25% of the Loan Portfolio Outstanding

ii) 10% of the loan portfolio outstanding in case of sub-standard assets

iii) 100% In case of Doubtful and Unsecured Assets

iv) In case of Doubtful and Secured Assets

a) Upto One Year 20%

b) One to Three year 30%

c) More than Three year 50%

v) 100% in case of Loss assets

The Amount of provision accounted in books is computed as follows:-

Type of asset	Days Past Due	Loan Book	Provision (%)	Total Provision	Provision (Opening Balance)	Provision to be created
Standard Asset	0-180	97,25,15648.00	0.25%	24,31,289.12	14,67,489.00	9,63,800.00
Sub- Standard	181-546	79,53,637.00	10%	7,95,363.68	7,04.901.00	90,463.00
Doubtful Asset 1	546-911	-	20%	-	-	-
Doubtful Asset 2	911-1276	-	30%	-	-	-
Doubtful Asset 3	1276-1641	-	50%	-	-	-
Total loan book outstanding as on 31.03.2020		**98,04,69,285.00**		**32,26,652.80**	**21.,72,390.00**	**10,54,263.00**

The Company has also reported Bad Debts during the year:-

Bad Debts (Exceeding Rs 1,00,000 Each)- Rs 2,80,23,342.00

Bad Debts (Less Than Rs 1,00,000 Each)- Rs 7,59,66,485.00

The Company has also availed the benefit of sub clause (d) of clause (viia) of subsection (1) of section 36 of income tax act 1961, wherein any provision for bad and doubtful debts made by a non-banking financial company shall be allowed a deduction of an amount not exceeding five percent of the total income (computed before making any deduction under this clause and Chapter VI-A). **Consequently out the above mentioned provision of Rs 10,54,263.00, the company has availed the expense of provision amounting to Rs 8,22,962.**

L. **Expenditure**

The provision is made for all the known losses and liabilities.

M. **Income Taxes**

i) Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantively enacted tax rates.

ii) Deferred Tax Assets (DTA) are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward unabsorbed depreciation and losses, DTA are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which DTA can be realised. These are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

iii) Current tax is the amount of tax payable on the taxable income including interest for the year as determined in accordance with the provisions of Income Tax Act, 1961.The Company has made a provision for Income Tax of **Rs 34,07,423.00** in the books.

N. **Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events: it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Contingent

liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

O. **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit / loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later time.

Computation of Earnings Per Share

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(A) Profit after taxation (Rs.)	83,93,007.00	24,69,760.58
(B) Weighted average number of equity shares (Nos)	3,00,32,024	1,40,70,506
(C) Earnings per share (in Rs.): [(A)/(B)]	0.28	0.18

3. Notes on Financial Statements

I. No interest has been paid/payable by the Company during the year to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. The above information is per the management representation provided on behalf of the vendors.

II. Balance reconciliations of Escrow Accounts is subject to management confirmation.

III. The balances receivables and payables are subject to confirmation and reconciliation. Pending such confirmation and reconciliation, the impact on accounts is not ascertainable at this stage.

SURI & SUDHIR NEW DELHI

Capital Advisors Pvt. Ltd.

IV. The company is a Small and Medium sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to Small & Medium Sized Company. Segment Reporting as per AS 17 is not mandatory for the Company being an SMC company.

V. The Company has shifted the registered place of Business from 58, First Floor, Arjun Nagar, Kotla Mubarakpur, Delhi-110003 to 60, Third Floor, Arjun Nagar, Kotla Mubarakpur, Delhi-110003. The address has been updated with the registrar of corporate affairs, however the company is yet to receive an updated RBI Certificate of Registration with the updated Address.

VI. **Retirement Benefits:-**

The gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement in terms of the provisions of the payment of Gratuity Act. The liability with regard to gratuity and compensated absences is accrued based on actuarial valuation at the Balance Sheet date, carried out by an Independent actuary Mr. Ashok Kumar Garg. The Gratuity Valuation is done both on Short Term Gratuity payable and Long Term Gratuity Payable and provided in the books on accrual basis as per AS-15(revised 2005) issued by The Institute of Chartered Accountants of India.

1: **Table Showing Changes in Present Value of Obligations:**

Period	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Present value of the obligation at the beginning of the period	2,95,919.00	47,405.00
Interest cost	20,714.00	3,674.00
Current service cost	2,51,521.00	1,46,239.00
Past Service Cost	-	-
Benefits paid (if any)	-	-
Actuarial (gain)/loss	(1,47,003.00)	98,601.00
Present value of the obligation at the end of the period	4,21,151.00	2,95,919.00

2: Key results (The amount to be recognized in the Balance Sheet):

Period	As on: 31-03-2020	As on: 31-03-2019
Present value of the obligation at the end of the period	4,21,151.00	2,95,919.00
Fair value of plan assets at end of	-	-

period		
Net liability/(asset) recognized in Balance Sheet and related analysis	4,21,151.00	2,95,919.00
Funded Status - Surplus/ (Deficit)	(4,21,151.00)	(2,95,919.00)

3: Expense recognized in the statement of Profit and Loss:

Period	From: 01-04-2019 To: 31-03-2020	From: 01-04-2018 To: 31-03-2019
Interest cost	20,714.00	3,674.00
Current service cost	2,51,521.00	1,46,239.00
Past Service Cost	-	-
Expected return on plan asset	(-)	(-)
Net actuarial (gain)/loss recognized in the period	(1,47,003.00)	98,601.00
Expenses to be recognized in P&L	1,25,232.00	2,48,514.00

The Basis of Valuation is as listed below:

1: Summary of membership data at the date of valuation and statistics based thereon:

Period	As on: 31-03-2020	As on: 31-03-2019
Number of employees	17.00	11.00
Total monthly salary	6,87,058.00	4,48,011.00
Average Past Service(Years)	1.5	1.8
Average Future Service (yr)	25.2	25.2
Average Age(Years)	34.8	34.8
Weighted average duration (based on discounted cash flows) in years	23	29
Average monthly salary	40,415.00	40,728.00

2: The assumptions employed for the calculations are tabulated:

Discount rate	7.00 % per annum	7.75 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2006-08 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

3: Benefits valued:

Normal Retirement Age	60 Years	60 Years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Past Service (yr)	15/26 * Salary * Past Service (yr)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2000000.00	2000000.00

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

4: Current Liability

Period	As on: 31-03-2020	As on: 31-03-2019
Current Liability (Short Term)*	61,590	947
Non-Current Liability (Long Term)	3,59,561	2,94,972
Total Liability	4,21,151	2,95,919

VII. **Movement in Deferred tax :**

Deferred tax asset/liability has been estimated using the substantively enacted rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year.

Particulars	**For the year ended 31.03.2020 (Rs)**	**For the year ended 31.03.2019 (Rs)**
(a) The movement in deferred tax Liability is as follows:		
Opening Balance		
Current Year deferred tax expense		
Closing Balance		
(b) The movement in deferred tax Asset is as follows:		
Opening Balance	4,40,197.00	42,488.89
Current Year deferred tax credit	2,548.00	3,97,708.11
Closing Balance	4,42,745.00	4,40,197.00
Net Deferred Tax Asset/Liability as at the year end	**4,42,745.00**	**4,40,197.00**

VIII. **Expenditure in Foreign Currency:**

Company has incurred the following expenses in foreign currency

Particulars	**For the year ended 31.03.2020 (Rs)**	**For the year ended 31.03.2019 (Rs)**
Expenditure in Foreign Currency	63,470.00	2,40,968.53

IX. **Payments to Auditors:-**

Auditors Remuneration	**2019-20**	**2018-19**

Audit Fees	3,90,000.00	2,90,000.00
GST	-	-
Total	3,90,000.00	2,90,000.00

X Related Party Disclosure- Accounting Standard 18:

A. Names of the related parties:

Key Management Personnel	Ms. Shruti Aggarwal, Director. Mr. Tushar Aggarwal, Director. Mr. Satish Chandra Sinha, Director Ms. Paveet,Company Secretary
Parties having Significant influence	EQX Analytics Private Limited

B. Related Party transactions:

	Key Management Personnel	Parties having Significant Influence	Total
	31st March'2020	31st March'2020	31st March'2020
(i) EQX Analytics Private Limited Reimbursement of Expenses	NIL	Rs 4,97,20,854.31	Rs 4,97,20,854.31
(ii) EQX Analytics Private Limited : Amount payable to EQX	NIL	Rs 18,95,52,184.60	Rs 18,95,52,184.60
(iii)Managerial remuneration: Ms. Shruti Aggarwal	Rs 11,06,959.00	NIL	Rs 11,06,959.00
(iv)Loan Re-payment : Ms. Shruti Aggarwal	NIL	NIL	NIL
(v)Interest Payment: Ms. Shruti Aggarwal	NIL	NIL	NIL
(vi)Managerial remuneration: Mr. Tushar Aggarwal	NIL	NIL	NIL
(vii)Managerial remuneration: Ms. Paveet	Rs 2,04,000	NIL	Rs 2,04,000
(viii)Reimbursement of Expenses Ms. Shruti Aggarwal	Rs. 57,99,664.00	NIL	Rs. 57,99,664.00

SURI & SUDHIR NEW DELHI

(ix) Director Sitting Fees Mr. Satish Chandra Sinha	Rs 10,00,000.00	NIL	Rs 10,00,000.00
	Key Management Personnel	**Parties having Significant Influence**	**Total**
	31st March'2019	**31st March'2019**	**31st March'2019**
(i) EQX Analytics Private Limited Reimbursement of Expenses	NIL	60,36,889.38	60,36,889.38
(ii) EQX Analytics Private Limited Amount payable to EQX	NIL	Rs 6,79,88,005.50	Rs 6,79,88,005.50
(iii)Managerial remuneration: Ms. Shruti Aggarwal	Rs 10,46,736.00	NIL	Rs 10,46,736.00
(iv)Loan Re-payment : Ms. Shruti Aggarwal	Rs 50,00,000.00	NIL	Rs 50,00,000.00
(v)Interest Payment: Ms. Shruti Aggarwal	Rs 1,50,000.00	NIL	Rs 1,50,000.00
(vi)Managerial remuneration: Mr. Tushar Aggarwal	NIL	NIL	NIL
(vii)Managerial remuneration: Ms. Paveet	Rs 2,04,000	NIL	Rs 2,04,000
(viii)Reimbursement of Expenses Ms. Shruti Aggarwal	Rs 14,36,918.00	NIL	Rs 14,36,918.00
(ix) Director Sitting Fees Mr. Satish Chandra Sinha	Rs 25,000.00	NIL	NIL

Note: Related party relationships are identified by the management of the company and relied upon by the auditor.

XI The Company has not accepted any public deposit during the financial year and there is **NIL** outstanding as on **31.03.2020.**

XII The **Net Owned Fund** of the Company as on **31.03.2020** is **40,02,39,943.00 (Rupees Forty Crore Two Lakh Thirty Nine Thousand Nine Hundred and Forty Three Only).**

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

Akara Capital Advisors Pvt. Ltd.

Akara Capital Advisors Pvt. Ltd.

Akara Capital Advisors Pvt. Ltd.

Paveet Ahluwalia

Akara Capital Advisors Private Limited

FYR 2019-20

Notes to financial statements for the year ended March 31, 2020

Net Owned Fund calculated as follows:	**Amount (Rs.)**
Paid up Equity Share Capital	**32,30,76,620.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**7,76,06,068.00**
Less: Deferred Tax Asset	**(4,42,745.00)**
Less: Miscellaneous Expenditure	----------
Total Net Owned Fund as on 31.03.2020(a)	**40,02,39,943.00**
Total Number of Outstanding Equity Shares as on 31.03.2020 (b)	**3,23,07,622**
Book Value Per Equity Share (a/b)	**12.40**

XIII. The Total Assets Size and Loan Asset Portfolios of the Company as on **31.03.2020** are **Rs. 1,06,77,25,411.00/- (Rupees One Hundred Six Crores Seventy Seven Lakhs Twenty Five Thousand Four Hundred Eleven only) and Rs. 98,04,69,285.00 /-(Rupees Ninety Eight Crores Four Lakhs Sixty Nine Thousand Two Hundred and Eighty Five only)** respectively.

XIV. The Capital Adequacy Ratio of the company is **37.50%** as on **31.03.2020.**

Statement showing calculation of Capital Adequacy Ratio

A	**Tier I Capital**	**40,02,39,943.00**
B	**Tier II Capital**	**-**
	Total of Adjusted Assets	**40,02,39,943.00**
C	**Risk Weighted Assets**	**106,72,82,666.00**
	Capital Adequacy Ratio [(A+B)/C]	**37.50%**

Tier I Capital calculated as follows:	**Amount**
Paid up Equity Share Capital	**32,30,76,620.00**
Add: Reserve & Surplus (excluding revaluation reserves)	**7,76,06,068.00**
Less: Deferred Tax Asset	**(4,42,745.00)**
Less: Miscellaneous Expenditure	----------
Total Tier I Capital as on 31.03.2020(A)	**40,02,39,943.00**
Tier II Capital calculated as follows:	
Paid up Preference Share Capital (Optionally Converted)	----------

SURI & SUDHIR NEW DELHI CHARTERED ACCOUNTANTS

Add: General Provisions and Loss Reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth (1.25) percent of risk weighted assets.	---
Total Tier II Capital as on 31.03.2020(B)	---

Risk Weighted Assets Calculated as follows:-

Assets	**Amount (1)**	**Risk Weight (2)**	**Risk Weighted Assets (1*2)**
Cash & Bank Balance	1,40,50,099.00	100%	1,40,50,099.00
Deposits other than Lien Marked	0	0%	0
Deposits With Lien Marked	0	100%	0
Loan Portfolio	98,04,69,285.00	100%	98,04,69,285.00
Fixed Assets	1,55,94,631.00	100%	1,55,94,631.00
Security Deposits	0	100%	0
Advance Tax & MAT	15,00,000	100%	15,00,000
Staff Advances	0	0%	0
Other Current Assets	5,56,68,651.00	100%	5,56,68,651.00
		Total (C)	**Rs 106,72,82,666.00**

xv. Previous year figures have been regrouped / rearranged wherever necessary.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For SURI & SUDHIR
Chartered Accountants
(FRN: 000601N)

ANUJ ARORA
PARTNER
Membership No.: 504815
Place: NEW DELHI
Date: 08/09/2020

TUSHAR AGGARWAL
Director
DIN: 01587360

SHRUTI AGGARWAL
Director
DIN: 06867269

For and on behalf of the Board of Directors

PAVEET
Company Secretary
Membership No-35743

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Akara Capital Advisors Private Limited
Face Value (per security)	INR 10,00,000 (Indian Rupees Ten Lakh)
Issue Date / Date of Allotment	Issue Opening Date: 28th December, 2022 Deemed Date of Allotment: 28th December, 2022
Redemption Date / Maturity Date	Redemption Date / Maturity Date: 18 (Eighteen) months from the Deemed Date of Allotment, i.e. 28th June, 2024
Coupon Rate	Please refer Section 5.35 (*Issue Details*).
Frequency of the Coupon Payment with specified dates	Please refer Section 5.35 (*Issue Details*). Please also see below.
Day Count Convention	Actual/Actual

Redemption Schedule

Redemption Instalments	**Redemption Date**	**Interest per Debenture (in INR)**	**Amount to be redeemed per Debenture (in INR)**
1	28 January 2023	9,979	-
2	28 February 2023	9,979	-
3	28 March 2023	9,014	1,66,667
4	28 April 2023	8,316	-
5	28 May 2023	8,048	-
6	28 June 2023	8,316	1,66,667
7	28 July 2023	6,438	-
8	28 August 2023	6,653	-
9	28 September 2023	6,653	1,66,667
10	28 October 2023	4,829	-
11	28 November 2023	4,990	-
12	28 December 2023	4,829	1,66,667
13	28 January 2024	3,326	-
14	28 February 2024	3,326	-
15	28 March 2024	3,112	1,66,667
16	28 April 2024	1,663	-
17	28 May 2024	1,610	-
18	28 June 2024	1,663	1,66,667

ANNEXURE VII: DUE DILIGENCE CERTIFICATES

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DUE DILIGENCE CERTIFICATE

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai- 400001

Dear Sir / Madam,

SUB.: PRIVATE PLACEMENT ISSUE OF RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKH ONLY) AGGREGATING TO INR 30,00,00,000 (INDIAN RUPEES THIRTY CRORES) BY AKARA CAPITAL ADVISORS PRIVATE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the issuer, its directors and other officers, other agencies and of independent verification of the various relevant documents:

We confirm that:

(a) The issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.

(b) The issuer has obtained the permissions / consents necessary for creating security on the said property (ies).

(c) The issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.

(d) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue.

FOR MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED

MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED

AUTHORISED SIGNATORY
PLACE: Mumbai
DATE: 23rd December, 2022

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ANNEXURE VIII: TERMS AND CONDITIONS OF DEBENTURE TRUSTEE AGREEMENT

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ANNEXURE IX: IN-PRINCIPLE APPROVAL RECEIVED FROM BSE

[●]

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

DCS/COMP/MJ/IP-PPDI/533/22-23 December 26, 2022

AKARA CAPITAL ADVISORS PRIVATE LIMITED
60, Third Floor, Arjun Nagar,
Kotla Mubarak Pur, New Delhi - 110003

Dear Sir,

RE: PRIVATE PLACEMENT OF UPTO 300 (THREE-HUNDRED) RATED SENIOR, SECURED LISTED, TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKH ONLY) AND AN AGGREGATE FACE VALUE OF INR 30,00,00,000 (INDIAN RUPEES THIRTY CRORES) (THE "ISSUE").

We acknowledge receipt of your application on the online portal on December 06, 2022 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload

details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com)

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

BSE - CONFIDENTIAL

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
Rupal Khandelwal
Assistant General Manager

Sd/-
Raghavendra Bhat
Associate Manager

ANNEXURE X: LENDING POLICY

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Personal Loan Policy

Personal loans are unsecured instalment loans for any declared legal purpose. The personalloan will be equal instalment amortizing loans with tenor between 1 month to 3 years with the loan amount ranging from INR 1K to INR 500K

Personal loans will be targeted primarily to salaried segment. The customer is required to read and sign a specific declaration agreeing to all the terms and condition of this program

Parameters	**Norms**
Type of Loan	Personal Loans
Purpose	Loan Purpose includes • Wedding • Holidays • Paying college fee or for professional courses • Renovation of house • Debt Consolidation • Shopping etc.,
Age Norms	Minimum – 20 years Maximum – 55 Years
Customer Profile	• Salaried and self employed
Minimum Income Norms	• INR 15K (Net take home) per month for salaried customer • INR 5k ADB for self employed
Loan Amount	• Minimum Loan Amount – INR 1K • Maximum Loan Amount – INR 500K
Loan Tenor	• Minimum Tenor – 1 Months • Maximum Tenor – 3 Years
Locations	• All liberate city (New Delhi (NCR), Bangalore, Indore, Chandigarh, Mumbai, Hyderabad, Pune, Chennai, Jaipur, Ahmedabad
Bureau Norms	a) Score >650 b) >5k overdue amount in latest/sum of all Tradeline. c) No 30+ DPD in the last 12 months d) No 60+ DPD in the last 24 months e) No 90+ DPD in the last 36 months f) No Settlement / Write off on any of the term loans in the last 36 months g) No Suit Filed (SF), Wilful Default (WD), Suit Filed Wilful Default (WWD), Suit Filed and Write Off (SWO), Wilful Default and Written-Off (WWO), Suit Filed, Wilful Default and Write Off (SWW), Restructured (RST) in last 36 months
Repayment Mode	• If the LOC Limit is INR > 30,000 - NACH Mandate to be registered • For LOC Limit INR < 30,000 customer can pay through the app (UPI, wallet, debit card, Net Banking etc.), NACH is not mandatory
Security PDC	1 for the entire loan amount + Interest for Libr8

Banking	• Latest 3/6 months of statement required • Perfios to be mandatory for all with banking Credit decision customer on libr8 Program.
Verifications & Checks	All necessary verifications as required for Libr8 - Reference Checks (1 friend/colleague, 1 family member) - Office email address to be OTP verified/Customer can mail his documents from his official email address.
Loan Eligibility	a) **Bureau Surrogate: -** for Card-to-Card program, loan eligibility will be calculated based on highest credit card limit in Bureau. b) **Bank Program:** - Loan eligibility will be calculated basis of multiplier on the Income of the applicant and combination of Bureau score & internal Bank score. c) Eligibility multiplier Range - 1x to 8x
Company Categorization	Refer to Annexure I for company category
Bank account conduct	• Latest 3/6 months of statement required • No Inward cheque returns in last 3 months • Banking should have minimum 3 credits and 3 debits transactions in a month • Average bank balance is calculated on the basis of balance maintained in last 90 days
Residence Proof	**Wherever applicable, below norms to be validated** • If LOC amount > 1lakh than current address proof is mandatory. **List of Current address proof** • Electricity Bill (latest month) • Post-paid Mobile Bills (latest month) • Gas bill for piped gas connection (latest month) • Rent agreement notarized (names of the tenant and the landlord, their addresses, and the duration of the stay should be clearly seen & E-Bill) • Broadband Bill (latest month) • Water Bill (latest month) • Bank statement (latest)

Documents Requirement

Below listed documents are required to process the loan for the customer

- Photo ID Proof (As per the Annexure II).
- Current Address Proof (As per the Annexure II).
    - Should always collect owner's latest electricity bill/water bill/house tax receipt.
- Permanent Address Proof (As per the Annexure II).
    - Should always collect all OVD Proof of customer like (Aadhaar/Voter id/Passport/DL)
- Live Selfie to Uploaded from mobile app only.
- PDC's / ECS Form / NACH Form.
- 1 SPDC that should include total loan amount and the interest. (Date not to be mentioned in this SPDC, on closure of the loan, the same to be cancelled and mailacross the scanned cancel cheque copy).
- Agreement duly filled and signed by the customer digitally within the app only.

Operations checklist

- KYC documents as per RBI norms
    - Photo identification document can be PAN/Passport/Voter ID/Drivers License/Bank passbook with photo/PRAN
    - Address Proof document can be Landline bill/Passport/Voter ID (with Pincode)/ Bank passbook/Ration Card
    - Selfie List
- Proof of employment
- DOB to be as per the above norms
- PDC's as per the loan requirement
- 1 SPDC

Review Mechanism

Regular reporting and review of the portfolio will be done to understand the distributionmix, portfolio performance and delinquency etc.

Early Warning Triggers

Parameters	Thresholds
30+ DPD	5.00%
90+ DPD	4.00%
Net Credit Loss	4.00%

Necessary amendments towards the policy to be taken in case the above triggers arebreac

ANNEXURE I: KYC CHECKLIST

S.No	Description	ID Proof	Address Proof	Signature Proof
		Applicable (Y / N)		
1	Passport (not expired)	Y	Y	Y
2	Permanent Driving License (not expired)	Y	Y	Y
3	Election / Voters Card ** can be accepted asaddress proof if it carries the address	Y	Y**	N
4	PAN Card	Y	N	Y
5	The Covering letter accompanying the PAN Card at the time of issuance should be accepted alongwith the PAN CARD	N	N	N
6	Telephone bill / Electricity bill/ Gas bill of public operators in the state (Not older than 3 Months)	N	Y	N
7	Pension Payment card issued by state / CentralGovt of India with photograph of the applicant	Y	Y	Y
9	Arms License issued by the State / Central Govtof India Containing photograph of the applicant. ** can be accepted as address proof if it carriesthe address . + Can be taken as signature proof if it contains signature of customer	Y	Y	Y
10	Bank Passbook with photograph attested by Bank Official & official seal. Passbook should beupdated in the last 3 month.	Y	Y	N
11	Bankers verification of Photograph & Signature as per respective banks format under the sign and seal of the Bank official or from post office where customer has an account. In case of postoffice, the verification to be signed by the Post-Master under his sign & Seal It should not be more than 3 months old.	Y	N	Y
12	Bank Account Statement / Bank Passbook of aPSU / Private Sector / Not later than 3 Months.	N	Y	N
13	Demat Account Statement with address Not later than 3 Months.	N	Y	N
14	Latest certificate from Post office / Post office Pass-book with full address	N	Y	N
15	Income tax Assessment order with Address , should pertain to assessment of income of lastfinancial year	N	N	N
16	Land Patta / Jamabandi / 7/12 Extract	N	N	N
17	UID Certificate Y	Y	N	

18	Latest Property tax bill / Water tax bill / Property tax paid receipts	Y	Y	N
19	Mobile post-paid bill of public / Private operators in the state, it should not be more than 3 months old.	N	Y	N
20	Domicile certificate with communication address issued by Municipal Corporation	N	Y	N
21	Insurance Policy or Premium receipts of the address in question This includes life as well as non-life insurance policies for both Governmentundertaking as well as Private Operators	N	Y	N
22	SSI and Shops & Established Act Registration certificate may be accepted provided the mailing address is the same as the Shop / office / Factory and confirmed by CPV or personal BM Visit	N	Y	N
23	House allotment letter issued by the Central /State government authorities mentioning the name and address of the applicant	N	Y	N
24	Employee id card (only for Armed Forces/Govt Cos/Public ltd cos)	Y	N	N
25	Photo Credit Card Issued by public/pvt Bank (card to be valid and more than 3 months old) +Can be taken as signature proof if it contains signature of customer	Y	N	Y+
26	Copy of Registered Sale Agreement if CurrentResidence is owned	N	Y	N
27	Copy of registered/Notarized Leave and License agreement / Company lease. (address proof)	N	Y	N
28	Letter from employer if the applicant is staying in the company provided accommodation (underaddress proof)	N	N	N

ANNEXURE XI: ALM STATEMENTS as on 30th September 2022

(INR in Cr)

A- Outflows		1-30 days (one month)	over one month to 2 months	over 2 month to 3 months	over 3 to 6 months	over 6 months to 1 year	over 1 year to 3 years	over 3 to 5 years	over 5 to 7 years	over 7 to 10 years	over 10 years	Total
1- Capital	Equity	-	-	-	-	-	-	-	-	-	237.83	**237.83**
2- Share Premium		-	-	-	-	-	-	-	-	-	72.79	**72.79**
3- Reserves & Surplus	-	-	-	-	-	-	-	-	-	-	17.53	**17.53**
4- Share Application Monies		-	-	-	-	-	-	-	-	-	-	**-**
5- Borrowings	Term borrowings	39.4	32.43	31.87	73.29	86.56	41.54	-	-	-	-	**464.33**
6- Current Liabilities & Provisions	Sundry creditors	2.29	-	-	-	-	-	-	-	-	-	**2.29**
	Expenses payable	6.65	-	-	-	-	-	-	-	-	-	**6.65**
	Collection from Customers	0.64	-	-	-	-	-	-	-	-	-	**0.64**
7- Others	Statutory dues payable	4.74	-	-	-	-	-	-	-	-	-	**4.74**
	Other payables	1.69	-	-	-	-	-	-	-	-	-	**1.69**
	Loan payables	0.21	1.3	1.4	0.8	0.16	-	-	-	-	-	**3.87**
	Provisions	1.7	1	1	1	-	-	-	-	-	-	**5.70**

A- Total Outflows		**57.32**	**34.73**	**34.27**	**75.09**	**87.72**	**41.54**	**159.24**	**0**	**0**	**328.15**	**818.06**

B- Inflows		**1-30 days (one month)**	**over one month to 2 months**	**over 2 month to 3 months**	**over 3 to 6 months**	**over 6 months to 1 year**	**over 1 year to 3 years**	**over 3 to 5 years**	**over 5 to 7 years**	**over 7 to 10 years**	**over 10 years**	**Total**
1- Cash	-	0.003	-	-	-	-	-	-	-	-	-	**0.003**
2- Balance with Bank	Current Account	125.53	-	-	-	-	1.07	-	-	-	-	**126.60**
3- Investments		-	-	-	-	-	-	-	-	-	-	**-**
4- Advances	Loan and Advances	100.15	53.59	44.54	95.91	135.33	160.73	0.01	-	-	-	**590.26**
5- Fixed Assets		-	-	-	-	-	-	7.98	-	-	-	**7.98**
6- Others	Other advances	-	-	54.72	10.38			1.25	-	-	-	**66.35**
	Other current assets	10.15	6.66	0.76	1.21	2.43	5.66	-	-	-	-	**26.87**
B- Total Inflows		**235.83**	**60.25**	**100.02**	**107.5**	**137.76**	**168.71**	**7.99**	**-**	**-**	**-**	**818.06**
C- Mismatch (B-A)		**178.51**	**25.52**	**65.75**	**32.41**	**50.54**	**127.17**	**-151.25**	**-**	**-**	**-328.15**	
D- Cumulative mismatch		**178.51**	**25.52**	**65.75**	**32.41**	**50.54**	**127.17**	**-151.25**	**-**	**-**	**-328.15**	

ANNEXURE XII: BOARD RESOLUTION

(The remainder of this page is intentionally left blank)

AKARA CAPITAL ADVISORS PRIVATE LIMITED

CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED HELD ON THURSDAY, 17TH DAY OF NOVEMBER, 2022 AT 12:15 P.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT CRC-2, 1ST FLOOR, KHASRA NO. 337, MEHRAULI-GURGAON RD, SULTANPUR, NEW DELHI, DELHI 110030

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

(a) Issuance of 300 (Three Hundred) Rated Unsubordinated Secured Listed Transferable Redeemable Non-Convertible Debentures. ("**Debentures**") denominated in Indian Rupees ("**INR**"), each having a face value of INR 10,00,000/- (Indian Rupees Ten Lakhs only) aggregating to an amount of INR 30,00,00,000 (Indian Rupees Thirty Crores Only) or such other number of debentures, face value and amount as may be determined ("**Debentures**") for a period of up to 18 (Eighteen) months from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed, on a private placement basis to Northern Arc Capital Limited (being the identified persons for the purposes of Section 42 of the Act) ("**Investors**") for raising debt for on-lending/disbursement by the Company in the form of personal loans to its clients/borrowers of the Company and for such other purposes as may be agreed with the Investors, and

(b) collateralising/supporting the amounts to be raised pursuant to the issue of the Debentures together with all interest and other charges thereon (up to such limits and security cover and within such timelines as may be agreed) by one or more of the following (i) hypothecation of certain identified book debts/loan receivables (and/or other assets) of the Company and such other security or contractual comfort as may be required in terms of the issuance of the Debentures (the "**Security/Collateral**")."

RESOLVED FURTHER THAT Mrs. Shruti Aggarwal, Director of the Company be and is hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

(a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;

(b) executing the term sheet in relation to the Debentures;

(c) negotiating, approving and deciding the terms of the issue of the Debentures and all other related matters;

(d) finalising the terms and conditions of the appointment of an arranger, a debenture trustee, a registrar and transfer agent, a credit rating agency, a legal counsel, the depository(ies) and such other intermediaries including their successors and their agents, as may be required in relation to the issue, offer and allotment of the Debentures;

(e) finalising the terms of the issue, offer and allotment of the Debentures;

(f) entering into arrangements with the depository(ies) in connection with the issue, offer and allotment

of Debentures in dematerialised form;

(g) entering into the listing agreement with the Stock exchange(s);

(h) creating and perfecting the Security/Collateral as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the Debentures;

(i) finalising the deemed date of allotment of the Debentures;

(j) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and dealing with regulatory authorities in connection with the issue, offer and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository(ies), and such other authorities as may be required;

(k) signing and/or dispatching all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;

(l) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):

(i) the Information Memorandum ("IM") for the issue, offer and allotment of the Debentures;

(ii) the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, and any other documents required for the creation of security interest over the Company's Book Debts, or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto ((i) and (ii) are collectively referred to as the "**Transaction Documents**");

(iii) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and

(iv) any other document designated as a Transaction Document by the debenture trustee/holders of the Debentures.

(m) do all acts necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Information Memorandum("IM") and the Transaction Documents; and

(n) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the issue, offer and allotment of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable in relation to the issue, offer and allotment of the Debentures.

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

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

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

RESOLVED FURTHER THAT Mrs. Shruti Aggarwal, be and is hereby severally authorised to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

RESOLVED FURTHER THAT Mrs. Shruti Aggarwal, Director of the Company or Mr. Saurabh Khodke – Senior VP, Debt Capital Markets or Mr. Kapil Garg – Manager, Debt Capital Markets, be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnities and documents as may be required, or any of them in connection with the Debentures to be issued by the Company.

RESOLVED FURTHER THAT THAT Mrs. Shruti Aggarwal, Director of the Company or Mr. Saurabh Khodke – Senior VP, Debt Capital Markets or Mr. Kapil Garg – Manager, Debt Capital Markets be and are hereby severally authorised to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf.

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

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

CERTIFIED TRUE COPY

FOR M/S. Akara Capital Advisors Private Limited



Sonia Thakur
Company Secretary
M.No 40393
Add: 224, Vikas Kunj, Vikaspuri, New Delhi - 110018

Date: 25th November, 2022

ANNEXURE XIII: SHAREHOLDERS RESOLUTION

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AKARA CAPITAL ADVISORS PRIVATE LIMITED

CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED HELD ON THURSDAY, 24TH DAY OF NOVEMBER, 2022 AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT CRC-2, 1ST FLOOR, KHASRA NO. 337, MEHRAULI-GURGAON RD, SULTANPUR, NEW DELHI, DELHI 110030

To approve enhancement in the limit of Issuance of Non-Convertible Debentures from INR 100 Crores to INR 500 Crores.

"RESOLVED THAT in supersession to the previous members resolution passed on 29th September, 2022 and pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any modification, amendment, substitution or re-enactment thereof, for the time being in force and the provisions of the memorandum of association and the articles of association of the Company, the approval and consent of the members of the Company, be and is hereby accorded to the board of directors of the Company (the "Board") to enhance the limit of issuance of Non- Convertible Debentures from INR 100 Crores to INR 500 Crores and to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures ((a) listed or unlisted, (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) unsubordinated (g) any others (as may be determined)) (including market linked debentures) ("NCDs"), on a private placement basis, in one or more tranches, provided that the outstanding amounts of all such NCDs at any time during the period shall not exceed INR 500 Crores (Indian Rupees Five Hundred Crores only)."

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

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

CERTIFIED TRUE COPY

FOR M/S. Akara Capital Advisors Private Limited

SONIA RAKESH THAKUR

Digitally signed by SONIA RAKESH THAKUR
Date: 2022.12.01 17:20:22 +05'30'

Sonia Thakur
Company Secretary
M.No: 40393
Add: 224, Vikas Kunj, Vikaspuri,
New Delhi - 110018

Date: 01st November, 2022

AKARA CAPITAL ADVISORS PRIVATE LIMITED

CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED HELD ON THURSDAY, 24TH DAY OF NOVEMBER, 2022 AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT CRC-2, 1ST FLOOR, KHASRA NO. 337, MEHRAULI-GURGAON RD, SULTANPUR, NEW DELHI, DELHI 110030

To approve enhancement in the Borrowing limits u/s 180(1)(c) from INR 1000 Crore to INR 1500 Crore ECB, debentures, CPs, PTCs, Securitization and Term loans

"RESOLVED THAT pursuant of Section 180(1)(c) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), as amended from time to time, the consent of the Members be and is hereby accorded to the Board of Directors of the Company or its authorised Committee for borrowing/ availing financial assistance of any sum or sums of money from time to time, from any one or more Banks, Financial Institutions, Investors, Lenders, any other persons, firms, Bodies Corporate, either Indian or foreign (hereinafter referred as 'Lenders' or 'Investor'), whether by way of cash credit, advances or deposits, Term loans or working capital, or any other debt, debt instrument including ECB, debentures, CPs, securitization financial assistance / facilities and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's investment, assets and/or other properties whether movable or immovable or stock in trade (including Pass through Contracts {PTCs}) and work in progress and all or any of the undertakings of the Company, notwithstanding that the money or monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of the paid up share capital of the company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided however, that the total amount so borrowed shall not exceed a sum of INR 1500 Crore/- (One Thousand and Five Hundred Crore).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to execute such documents or writings as it may consider necessary, expedient or proper for the purpose of giving effect to this resolution.

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

CERTIFIED TRUE COPY

FOR M/S. Akara Capital Advisors Private Limited

SONIA RAKESH THAKUR Digitally signed by SONIA RAKESH THAKUR Date: 2022.12.01 17:17:57 +05'30'

Sonia Thakur
Company Secretary
M.No: 40393
Add: 224, Vikas Kunj, Vikaspuri,
New Delhi - 110018

Date: 01st December, 2022

AKARA CAPITAL ADVISORS PRIVATE LIMITED

CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED HELD ON THURSDAY, 24TH DAY OF OCTOBER, 2022 THE CORPORATE OFFICE OF THE COMPANY SITUATED AT CRC-2, 1ST FLOOR, KHASRA NO. 337, MEHRAULI-GURGAON RD, SULTANPUR, NEW DELHI, DELHI 110030

To approve enhancement in the limits for creating security on the assets of the company u/s 180(1)(a) from INR 1000 Crore to INR 1500 Crore.

"**RESOLVED THAT** pursuant of Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), as amended from time to time, the consent of the Members be and is hereby accorded to the creation of such security by the Board of Directors of the Company or its authorised Committee as may be necessary on such of the assets and/or other properties whether movable or immovable or stock in trade (including Pass through Contracts {PTCs}), both present and future in such manner as the Board may determine however, that the total amount of security shall not exceed a sum of INR. 1500 Crore/- (Indian Rupees One Thousand and Five Hundred Crores), to or in favour of financial institution, investment institutions and their subsidiaries, banks, mutual funds, other bodies corporate or any other entities and Trustees for the holders of debentures/bonds and/or other instruments including ECB, debentures, CPs which may be issued on private placement basis or otherwise to secure loans, debentures, bonds working capital facilities and other instruments in any currency of an outstanding aggregate value not exceeding the total assets and gross current assets as per the latest audited financial statements from time to time, together with the interest thereon at the agreed rates, further interest liquidated damages, premium on pre-payment or on redemption, cost charges, expenses and all other moneys payable by the Company in relation to such loans, debentures, bonds, working capital facilities and other instruments."

REOLVED FURTHER THAT Mrs. Shruti Aggarwal, Director be and is hereby authorised to finalize the documents and such other agreements for creation of charge as aforesaid and to do all such acts deeds matters and things as may be necessary and expedient and also to authorize/delegate its directors/officers for giving effect to the above resolution.

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

CERTIFIED TRUE COPY

FOR M/S. Akara Capital Advisors Private Limited

Sonia Thakur
Company Secretary
M.No: 40393
Add: 224, Vikas Kunj, Vikaspuri,
New Delhi - 110018

Date: 01st December, 2022