

AKARA CAPITAL ADVISORS PRIVATE LIMITED

Ref. No. AKAR/2026-27/SEC/252

Date: 5th August, 2026

To,
The General Manager
Department of Corporate Services
Bombay Stock Exchange Limited
1st Floor, New Trading Ring, Rotunda
Building, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001

BSE Scrip Code:

1) 975714	14) 977176
2) 976112	15) 977141
3) 975713	16) 977260
4) 976306	17) 977205
5) 976411	18) 977298
6) 976585	19) 977309
7) 976660	20) 977367
8) 976868	21) 977383
9) 976905	22) 977435
10) 977052	23) 977534
11) 977126	24) 977773
12) 977096	25) 977774
13) 977127	

Sub: Submission of Annual Report under Regulation 53(1) and other applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Dear Sir/Madam,

Pursuant to the provisions of Regulation 53(1) and other applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report of Akara Capital Advisors Private Limited for the financial year ended 31st March, 2026.

Kindly consider and take our submission in your records.

Thanking You

Yours faithfully

For Akara Capital Advisors Private Limited

SIMARJEET SINGH Digitally signed by SIMARJEET SINGH
Date: 2026.08.05 16:43:00 +05'30'

Simarjeet Singh

Company Secretary and Compliance Officer

Place: Gurgaon



Email : cofficer@akaracap.com

CIN : U74110DL2016PTC290970

Mob : +91 - 9643309883



Registered Off. : 60, Second Floor
Arjun Nagar, Kotla Mubarakpur
New Delhi - 110003

Corporate Address: Unit Nos.
1801-1805, 1806A, 1806B, 1807A, 1807B & 1815
18th Floor, Magnum Global Park 2
Golf Course Ext Road sector 58,
Gurgaon - 122011

AKARA CAPITAL ADVISORS PRIVATE LIMITED

Ref. No. AKAR/2026-27/SEC/228

NOTICE OF 10TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 10TH ANNUAL GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED WILL BE HELD ON WEDNESDAY, 5TH DAY OF AUGUST 2026 AT 05:30 P.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT 18TH FLOOR, MAGNUM GLOBAL PARK, GOLF COURSE EXTENSION ROAD, SECTOR-58, GURGAON, HARYANA – 122011 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements containing the Balance Sheet as at 31st March 2026 and the Profit and Loss Account for the financial year ended 31st March 2026 along with Notes & Schedules appended thereto together with the Board's Report and the Auditors' Report thereon of the Company for Financial Year ended on 31st March, 2026:

To consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 134 of the Companies Act 2013, the Audited Financial Statements of the Company for the financial year ended 31st March, 2026 including Audited Balance Sheet as at 31st March, 2026 and the Statement of Profit and Loss & Cash Flow for the year ended on that date and the Reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To consider and approve the appointment of M/S V.P Batra and Co., Chartered Accountants as Statutory Auditor of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and other applicable statutory provisions (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the applicable guidelines and directions issued by the Reserve Bank of India relating to the appointment of Statutory Auditors of NBFCs, and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the consent of the members be and is hereby accorded to the appointment of M/s. V P Batra & Co., Chartered Accountants (Firm Registration No. 002095N) as the Statutory Auditors of the Company, to hold office for a term of **three consecutive years**, commencing from the conclusion of the ensuing **10th Annual General Meeting** until the conclusion of the **13th Annual General Meeting** of the Company to be held in the year 2029 at such remuneration, reimbursement of out-of-pocket expenses and applicable taxes, as may be recommended by the Audit Committee and mutually agreed between the Board of Directors and the Statutory Auditors.”

“RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to issue the letter of appointment, file the necessary e-forms and returns with the Registrar of Companies, and to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution



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SPECIAL BUSINESS:

3. To Approve the Limit for Issuance/Re-issuance of Non-Convertible Debentures upto INR 2000 Crores.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 42, 71, and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws, rules, regulations, directions, guidelines, circulars and notifications issued by the Reserve Bank of India ("RBI") and Securities and Exchange Board of India ("SEBI") in this regard, and in supersession of the special resolution passed by the Members at the Annual General Meeting held on 30th September 2025, the consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (the ‘Board’) to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures (a) listed or unlisted, (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others (as may be determined)) (including market linked debentures) ("NCDs"), for the issuance and/or re-issuance of Non-Convertible Debentures ("NCDs"), in one or more series or tranches, on a private placement basis, provided that the aggregate outstanding principal amount of such NCDs at any time during the period shall not exceed INR 2000 Crores (Rupees Two Thousand Crore Only).

RESOLVED FURTHER THAT the Board of Directors of the Company (including MOCB Committee thereof), be and is hereby authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient to give effect to the above Resolution, including determining the terms and conditions of the Debentures (including without limitation, interest, repayment, security or otherwise) as it may think fit of such NCDs.

RESOLVED FURTHER THAT any Director or the Company Secretary & Compliance Officer of the Company be and is hereby severally authorized to issue the certified true copies of this resolution to the concerned authorities, as and when required.”

By order of the Board of Directors

For AKARA CAPITAL ADVISORS PRIVATE LIMITED

Sd/-

Simarjeet Singh

Company Secretary & Compliance Officer

Date: 5th August, 2026

Place: Gurgaon, Haryana



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NOTES:

1. Members are requested to fill the enclosed Attendance Slip and deposit the same at the entrance of the meeting hall.
2. Members are requested to inform the Company immediately, any change of address.
3. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the ensuing Annual General Meeting at least forty-eight hours before the meeting.
4. The route map to the venue of the Meeting is annexed with the notice and forms an integral part of the notice.
5. Register of Directors and Key Managerial Personnel and their shareholding, maintained u/s. 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Contracts or arrangements in which the Directors are interested, maintained u/s.189 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
7. All documents referred to in the notice shall be open for inspection at the Corporate office of the company on all working days, between 10.00 A.M. and 5.00 P.M. upto the date of the Meeting.
8. The Explanatory statement pursuant to provisions of Section 102 of the Companies Act, 2013("Act"), as amended, read with the rules made thereunder, the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India, setting out the material facts in respect of the special business as stated under Item No. 3, is annexed hereto and forms part of this Notice.
9. A copy of Audited Financial Statements of the Company for the Financial Year ended on March 31, 2026 together with the Board's report and Auditor's report thereon is enclosed herewith
10. The Notice of 10th AGM and Audited Financial Statements of the Company for the Financial Year ended on March 31, 2026 together with the Board's report and Auditor's report thereon and other documents attached thereto shall be sent only by e-mail to the members, debenture trustees and to all the persons entitled to receive the same at their e-mail ids registered with the Company/ Depository Participant, unless the member has specifically requested for a hard copy of the Annual Report. The same has also been uploaded on the website of the Company with the link: <https://www.akaracap.com/investor-relations>



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Akara Capital Advisors Private Limited

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Corporate Office: 18th Floor, Magnum Global Park, Golf Course Ext Rd, Sector 58, Gurgaon,
Haryana - 122011

ATTENDANCE SLIP

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

Full name of the Shareholder in Block Letters:_____

Folio No/Demat Account Number (DPID & CLID). :_____

No. of Shares held :_____

I hereby record my presence at the 10th Annual General Meeting of the Company to be held on Monday, 31st August, 2026 at 05:30 P.M. at the Corporate office of the Company at 18th Floor, Magnum Global Park, Golf Course Ext Rd, Sector 58, Gurgaon, Haryana - 122011

Signature of the Shareholder· _____

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

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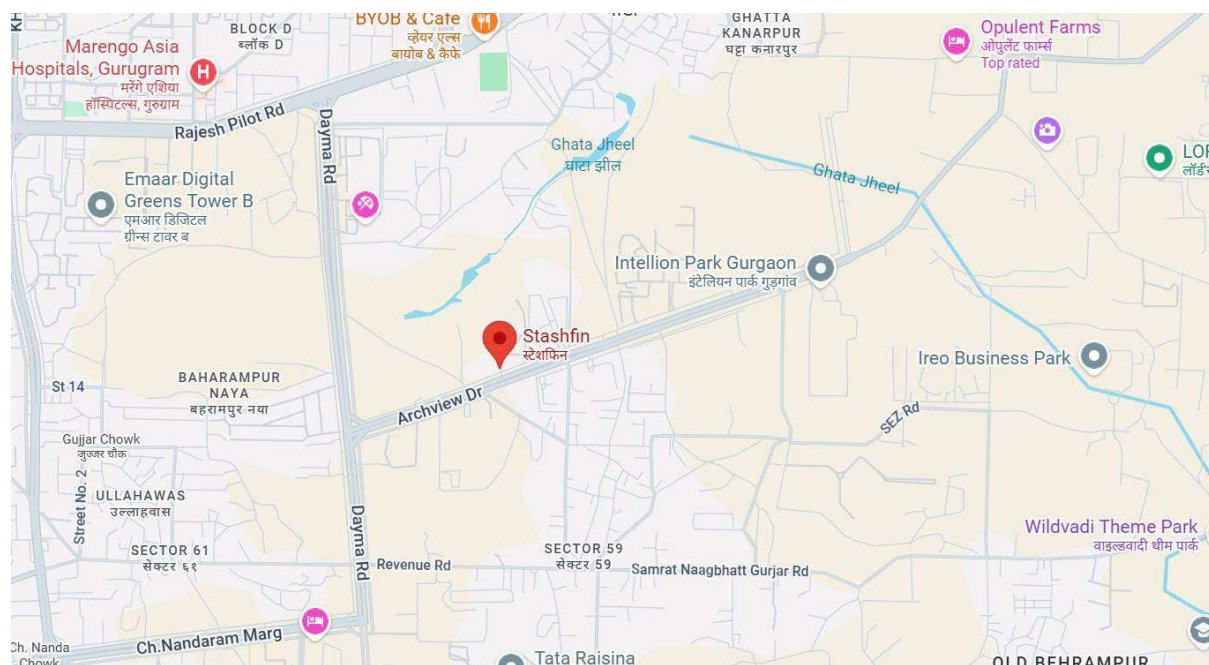
AKARA CAPITAL ADVISORS PRIVATE LIMITED

ROUTE MAP TO THE VENUE OF AGM:

With reference to Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India for the convenience of recipients of notice, the complete particulars of the venue of the meeting including route map are as given under:

AKARA CAPITAL ADVISORS PRIVATE LIMITED

Venue of the Meeting: 18TH FLOOR, MAGNUM GLOBAL PARK, GOLF COURSE EXTENSION ROAD, SECTOR-58, GURGAON, HARYANA – 122011



By order of the Board of Directors
For AKARA CAPITAL ADVISORS PRIVATE LIMITED

Sd/-
Simarjeet Singh
Company Secretary & Compliance Officer
M. No. F11779

Date: 5th August, 2026
Place: Gurgaon, Haryana



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EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013)

ITEM NO. 3

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("Prospectus and Allotment Rules") deals with private placement of securities by a company. Rule 14(1) of the Prospectus and Allotment Rules prescribes that in case of an offer or invitation to subscribe to securities, the Company shall obtain approval of its shareholders/members ("Members") by means of a special resolution. Rule 14(1) of the Prospectus and Allotment Rules further prescribes that in case of the issue of non-convertible debentures ("NCDs") exceeding the limits prescribed therein, it shall be sufficient to obtain such approval for all the offers or invitations for such NCDs issued from the date of passing of the aforementioned special resolution.

In order to augment resources for onward-lending by the Company, repayment/refinance of existing debt, working capital requirement, purchase of assets, investments, general corporate purposes etc. the Company may invite subscription for non-convertible debentures ((a) listed or unlisted, (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others (as may be determined)) (including market linked debentures) to be issued by the Company, in one or more series/tranches on private placement basis. The NCDs proposed to be issued, may be issued either at par or at premium or at a discount to face value and the issue price (including premium, if any) shall be decided by the board of directors of the Company ("Board") on the basis of various factors including the interest rate/effective yield determined, based on market conditions prevailing at the time of the issue(s).

Pursuant to Rule 14(1) of the Prospectus and Allotment Rules, the following disclosures are being made by the Company to the Members:

PARTICULARS OF THE OFFER INCLUDING DATE OF PASSING BOARD RESOLUTION	Rule 14(1) of the Prospectus and Allotment Rules prescribes that where the amount to be raised through offer or invitation of NCDs (as defined above) exceeds the limit prescribed, it shall be sufficient if the company passes a special resolution for all the offers or invitations for such NCDs during the year. In view of this, pursuant to this resolution under Section 42 of the Companies Act, 2013, the specific terms of each offer/issue of NCDs (whether secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, redeemable (including market linked debentures) NCDs) shall be decided from time to time, from the date of the aforementioned resolution. In line with Rule 14(1) of the Prospectus and Allotment Rules, the date of the relevant board resolution shall be mentioned/disclosed in the private placement offer and application letter for each offer/issue of NCDs.
KINDS OF SECURITIES OFFERED AND THE PRICE AT WHICH THE SECURITY IS BEING OFFERED	Listed or Unlisted Non-convertible debt securities/NCDs. The NCDs will be offered/issued either at par or at premium or at a discount to face value, which will be decided by the Board for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.
BASIS OR JUSTIFICATION FOR THE PRICE (INCLUDING	Not applicable, as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments which will be issued



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PREMIUM, IF ANY) AT WHICH THE OFFER OR INVITATION IS BEING MADE	either at par or at premium or at a discount to face value in accordance with terms to be decided by the Board, in discussions with the relevant investor(s).
NAME AND ADDRESS OF VALUER WHO PERFORMED VALUATION	Not applicable as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments.
AMOUNT WHICH THE COMPANY INTENDS TO RAISE BY WAY OF SECURITIES	The specific terms of each offer/issue of NCDs shall be decided from time to time, from the date of the aforementioned resolution, provided that the amounts of all such NCDs at any time issued from the date of passing of the aforementioned shareholders resolution shall not exceed the limit specified in the resolution under Section 42 of the Companies Act, 2013.
MATERIAL TERMS OF RAISING OF SECURITIES, PROPOSED TIME SCHEDULE, PURPOSES OR OBJECTS OF OFFER, CONTRIBUTION BEING MADE BY THE PROMOTERS OR DIRECTORS EITHER AS PART OF THE OFFER OR SEPARATELY IN FURTHERANCE OF OBJECTS; PRINCIPLE TERMS OF ASSETS CHARGED AS SECURITIES	The specific terms of each offer/issue of NCDs shall be decided from time to time, from the date of the aforementioned resolution, in discussions with the respective investor(s). These disclosures will be specifically made in each private placement offer and application letter for each offer/issue.

Accordingly, consent of the Members is sought in connection with the aforesaid issue of NCDs and they are requested to authorize the Board to apply to the stock exchange for the in-principal approval and to issue such NCDs during the year on private placement basis up to INR 2000 Crores (Indian Rupees Two Thousand Crores Only) as stipulated above, in one or more tranches in supersession to the previous member's resolution passed on 30th September, 2025.

None of the directors and key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company. The Board recommends the passing of the resolution as special resolution.

By order of the Board of Directors
For AKARA CAPITAL ADVISORS PRIVATE LIMITED

Sd/-
Simarjeet Singh
Company Secretary & Compliance Officer
M. No. F11779

Date: 5th August, 2026
Place: Gurgaon, Haryana



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DIRECTORS' REPORT

Dear Members,

Your Board of Directors (the “**Board**”) take pleasure in presenting the Tenth Annual Report of Akara Capital Advisors Private Limited (the “**Company**”) together with the Audited Financial Statements and Auditor’s Report of the Company for the financial Year ended March 31, 2026 (the “**Period**”).

1. FINANCIAL RESULTS

During the Financial Year ended March 31, 2026, your Company earned a revenue of 94,679.14 Lakhs and incurred expenditure of INR 82,706.54 Lakhs as against revenue and aggregate expenditure of INR 70,970.19 Lakhs and INR 59,236.58 Lakhs respectively during the previous financial year ended March 31, 2025.

The Company’s financial performance for the financial Year ended March 31, 2026 is summarized below:

Particulars	For the year ended March 31, 2026 (in Lakhs)	For the year ended March 31, 2025 (in Lakhs)
Total Income	94,679.14	70,970.19
Total Expenses	82,706.54	59,236.58
Profit/(Loss) before tax	11,972.60	11,733.61
Less: Tax Expenses & Deferred Tax	3,635.34	3,249.20
Profit /(Loss) for the year after taxation	8,337.25	8,484.40
Other Comprehensive Income / (Loss)	(21.41)	4.10
Total Comprehensive Income / (Loss)	8,315.85	8,488.51
Earning Per Equity		
Basic (In INR)	2.63	2.68
Diluted (In INR)	2.63	2.68

During the year under review, your Company had achieved the threshold limit of total asset size of INR 3,13,423.24 Lakhs as on March 31, 2026 as compared to INR 183,205.51 Lakhs as on March 31, 2025

The net loan portfolio (after adjusting for write-offs) of the Company stood at INR 2.75 Lakhs as on March 31, 2026.

2. STATE OF THE COMPANY'S AFFAIRS

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



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AKARA CAPITAL ADVISORS PRIVATE LIMITED

There is no change in the nature of business of the Company for the year under review. Further information on the business overview and outlook and state of the affairs of the Company is mentioned in detail in the Management Discussion and Analysis Report.

3. RBI REGISTRATION

The Reserve Bank of India ('RBI') granted the Certificate of Registration ('CoR') No N-14.03354 to the Company on January 16, 2017, authorizing it to operate as a Non-Banking Financial Institution without accepting public deposits.

4. RBI DIRECTIONS ON SCALE BASED REGULATIONS

Reserve Bank of India issued a Direction Ref. No. RBI/DOR/2025-26/339 DOR.FIN.REC.No.258/03.10.119/2025-26 dated November 28, 2025 viz. Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 ('Directions'), as amended from time to time. These Directions issued in supersession of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023.

As per the Directions, based on size, activity, and risk perceived, NBFCs are categorized into four layers, NBFC - Base Layer ('NBFC-BL'), NBFC - Middle Layer ('NBFC-ML'), NBFC - Upper Layer ('NBFC-UL') and NBFC - Top Layer ('NBFC-TL').

As per RBI categorization, Akara Capital Advisors Private Limited is an NBFC in the Middle Layer for the year 2025-26 with asset size of INR 1,000 Crore and above. The Company's asset size as on March 31, 2026 stood at INR 3,134.23 Crores. The Company complies with Directions. With an endeavour to further strengthen the compliance culture across business and functions, an integrated compliance framework and policy has been put in place which would be enhanced from time to time.

5. SECURITIES AND EXCHANGE BOARD OF INDIA ('SEBI')

The Non-Convertible Debentures ("NCDs") issued by the Company have also been listed on BSE Limited ("BSE") since 2023. The listing of the Company's NCDs on BSE provides investors with access to a regulated and transparent market platform for trading in such securities, subject to applicable laws, regulations and the terms of the respective issuance.

The listing also facilitates enhanced visibility and market access for the Company's debt securities, provides an avenue for investors to trade in the NCDs, and supports greater transparency through compliance with applicable disclosure and listing requirements.

The Company continues to comply with the applicable regulatory and disclosure obligations governing listed debt securities.

6. INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA ('IRDAI')

The Company received a Certificate of Registration (CoR) No. CA1136 from the Insurance Regulatory and Development Authority of India (IRDAI) on June 18, 2026, authorizing it to act as a Corporate Agent (Composite).



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7. STANDALONE FINANCIAL STATEMENTS

The Standalone Financial Statements of the Company for the Financial Year 2025-26 have been prepared in accordance with the Indian Accounting Standard ('IND-AS') and accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Accounting Standards) Amendment Rules, 2016 as amended from time to time, and other applicable provisions of the Act. The Financial Statements present a true and fair view of the financial position, performance, cash flows and changes in equity of the Company for the year under review.

8. FUTURE OUTLOOK

The Company remains focused on achieving sustainable and profitable growth by strengthening its engagement with the existing customer base while expanding its reach through the acquisition of new customers. It will continue to leverage technology-driven processes, prudent risk management practices, and a customer-centric approach to enhance operational efficiency, maintain asset quality, and deliver long-term value to all stakeholders. The Company remains confident in its ability to capitalize on emerging opportunities while ensuring regulatory compliance and sound corporate governance.

9. CHANGE IN THE STATUS OF THE COMPANY

During the year under review, there is no change in the status of your Company.

10. CHANGE IN FINANCIAL YEAR

There is no change in the financial year of the Company.

11. DETAILS AND STATUS OF ACQUISITION, MERGER

There were no acquisitions and mergers during the year under review.

12. DIVIDEND

Due to requirement of deployment of funds back into the business for the growth of your Company your directors decided that it would be prudent not to recommend any dividend for the financial year ended March 31, 2026.

13. RESERVE

During the year under review, your Company has transferred INR 1667.45 Lakhs to Statutory Reserve, which constitutes 20% of the profits made in accordance with the requirement under Section 45-IC of the Reserve Bank of India Act, 1934.

14. CAPITAL ADEQUACY

The Company continues to maintain a strong capital position in compliance with the prudential norms prescribed by the Reserve Bank of India. As on March 31, 2026. The Company's Capital to Risk-Weighted Assets Ratio (CRAR) was at 21.69% as of March 31, 2026, which is well above regulatory requirement of minimum CRAR of 15% as prescribed by the Reserve Bank of India, reflecting strong capital position of the Company.

The Tier I Capital and Tier II Capital as on March 31, 2026 were 20.44% and 1.25% respectively.



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15. SHARE CAPITAL

Authorized Share Capital

The authorized share capital of the Company is INR 4,00,00,00,000/- (Rupees Four Hundred Crores only) divided into 40,00,00,000/- Equity Shares of INR 10/- each.

Issued, Subscribed, and Paid-up Share Capital

The Paid-up Share Capital of the Company as on March 31, 2026 stood at INR 3,19,25,71,260/- (Rupees Three Hundred Nineteen Crores Twenty-Five Lakhs Seventy-One Thousand Two Hundred and Sixty Only) divided into 31,92,57,126/- Equity Shares of INR 10/- each.

During the Financial Year 2025-26, the Company has increased the paid-up capital as follows through right issue of shares:

- (i) The Company had allotted 11,52,456 (Eleven Lakhs Fifty-Two Thousand Four Hundred Fifty-Six) fully paid-up equity shares at the face value INR 10/- (Indian Rupees Ten Only) each and at a premium of INR 106/- (Indian Rupees One Hundred Six Only) per share, for a total consideration of INR 13,36,84,896/- (Indian Rupees Thirteen Crores Thirty-Six Lakhs Eighty-Four Thousand Eight Hundred Ninety-Six Only), as approved on December 4, 2025.
- (ii) The Company further allotted 13,88,693 (Thirteen Lakhs Eighty-Eight Thousand Six Hundred Ninety-Three) fully paid-up equity shares at face value INR 10/- (Indian Rupees Ten Only) each and at a premium of INR 106/- (Indian Rupees One Hundred Six Only) per share, for a total consideration of INR 16,10,88,388/- (Indian Rupees Sixteen Crores Ten Lakhs Eighty-Eight Thousand Three Hundred Eighty-Eight Only), as approved on December 24, 2025.
- (iii) The Company also allotted 7,21,979 (Seven Lakhs Twenty-One Thousand Nine Hundred Seventy-Nine) fully paid-up equity shares at face value INR 10/- (Indian Rupees Ten Only) each and at a premium of INR 120/- (Indian Rupees One Hundred Twenty Only) per share, for a total consideration of INR 9,38,57,270/- (Indian Rupees Nine Crores Thirty-Eight Lakhs Fifty-Seven Thousand Two Hundred Seventy Only). As approved on March 27, 2026.

Sweat Equity shares:

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

Buy back of Shares:

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

Preference share capital:

Not applicable



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16. PUBLIC DEPOSITS

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013. A resolution to this effect has been passed by the Board of Directors in Board Meeting held on dated 29th April, 2026.

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

17. ANNUAL RETURN

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

18. LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

As the Company is an NBFC, the provisions relating to loans, guarantees, investments under Section 186 of the Act are exempt and accordingly no disclosure is required.

19. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the period under review, Pursuant to Section 134(3)(l) of the Companies Act, 2013, it is hereby confirmed that the Company is registered as a Non-Banking Financial Company (NBFC) and continues to carry on the business of an NBFC.

During the financial year under review, there was no change in the nature of the Company's business.

20. RELATED PARTY TRANSACTIONS

During the year under review, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on an arms' length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The details of Contract or arrangements are furnished in AOC-2 and enclosed as **Annexure I** to this Report.

21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report which form part of the Annual Report pursuant to the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Updated as on July 01,



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2026), as amended from time to time, issued by the Reserve Bank of India ('RBI') is annexed herewith as **Annexure II**.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors of the Company are eminent persons of proven competence and integrity. Besides experience, strong finance acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment to the Company and devote adequate time to meetings and preparation. The Board has identified core skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning, which are detailed in the Corporate Governance Report.

As on the date of this Report, the Board comprises 6 Directors, including 4 Independent Directors. The Board functions with a clear focus on safeguarding and enhancing the long-term value for all stakeholders. Its decisions and actions are strategically aligned with the Company's vision and objectives. The Board plays a pivotal role in guiding the Company's overall direction by critically evaluating its strategic plans, governance policies, and operational performance, thereby reinforcing its commitment to effective oversight and sustainable value creation.

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy, apart from other Board business. The Board exhibits strong operational oversight with regular business presentations of meetings.

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

A. Composition of the Board of Directors:

Sl. No.	DIN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Managing Director	11/02/2016
2	06867269	Mrs. Shruti Aggarwal	Director	11/02/2016
3	01309312	Mr. Radhakrishnan Ramachandra Iyer	Independent Director	03/02/2021
4	09345384	Mr. Vijay Ronjan	Independent Director	24/02/2022
5	07924822	Mr. Vijay Jasuja	Independent Director	17/08/2022
6	11416286	Mr. Botlaguduru Srinivas*	Independent Director	24/12/2025

*During the year under review, Mr. Botlaguduru Srinivas was appointed as an Independent Director in the Company w.e.f. 24th December, 2025

Your Directors on the Board possess experience and competency and are renowned in their respective fields. The Board composition is in compliance with the requirements of the Companies Act, 2013 ("the Act"), SEBI Listing Regulations and the RBI Master Directions.

B. Key Managerial Personnel ('KMP'):

Details of the Key Managerial Personnel ('KMP') of the Company on the date of signing of this report are as under:



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S. No.	DIN/PAN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Managing Director	11/02/2016
2	DCBPK9509Q	Mr. Pankaj Kumar	Chief Financial Officer	05/07/2023
3	FXNPS3126J	Mr. Simarjeet Singh	Company Secretary and Compliance Officer	31/01/2025

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

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

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

24. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and/or commitments occurred subsequent to the close of the financial year of the Company to which the Financial Statements relates i.e., March 31, 2026 and up to the date of signing of this report, which might affect the financial position of the Company.

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

The Company has received declaration of independence from all the Independent Directors under Section 149(7), Section 164 and Section 184 of the Act, confirming that they meet the criteria of independence, as laid down in Section 149(6) of the Act. Further, the Independent Directors provided their registration certificate on Independent Directors Data Bank in compliance with Rule 6(1) & (2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, which shall be valid during the tenure of respective directors.

Mr. Radhakrishnan Ramachandra Iyer, Mr. Vijay Jasuja, Mr. Vijay Ronjan and Mr. Botlaguduru Srinivas as Non-Executive Independent Directors of the Company, have given the necessary declaration under Section 149, Section 164 and Section 184 of the Companies Act, 2013. With regard to integrity, expertise and experience (including the proficiency) of the Independent Directors, the Board of Directors have taken on record the declarations and confirmations submitted by the Independent Directors and was of the opinion that they are persons of integrity and possess relevant expertise and experience and their continued association as Directors will be of immense benefit and in the best interest of the Company.

26. FIT AND PROPER CRITERIA OF THE DIRECTORS

During the period under review, the Company obtained the requisite undertakings and declarations from all its Directors, including Independent Directors, confirming their compliance with the applicable Fit and Proper criteria prescribed under the RBI Master Directions.

The Declaration and Undertaking were reviewed by the Nomination and Remuneration Committee in its meeting held on 29th May 2026 in accordance with the applicable regulatory requirements. Based on such review, the Committee noted that all Directors comply with the prescribed Fit and Proper criteria and are eligible and fit to continue to hold their respective positions on the Board of the Company.



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27. 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. During the year under review, no material or serious deviation has been observed for inefficiency or inadequacy of such controls.

A statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

The Board affirms that the company has developed and implemented a comprehensive Risk Management Policy. This policy outlines a structured and proactive approach to identifying, assessing, mitigating, and monitoring various risks that could potentially impact the company's operations, financial performance, and long-term sustainability.

Details of identification, assessment, mitigations, monitoring and the management of these risks are mentioned in the Management's Discussion and Analysis Report appended to this Report.

28. AUDIT TRAIL AND APPLICABILITY (AUDIT AND AUDITORS) RULES 2014-RULE 11 OF THE COMPANIES ACT, 2013

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The audit trail feature was enabled at the database level software used by the company for loan processing throughout the year commencing from 1st April, 2025. Further, the company, in respect of the financial year commencing on 1st April 2025, has used a separate accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the software.

Further, the same has been retained throughout the year and was an accessible reporting period and the Company is in compliance with the requirement to maintain Audit Trail under Rule 3(1) of the Companies Act, 2013.

The backup of books of accounts and other books and papers of the Company have been maintained in electronic mode on servers physically located in India on a daily basis.



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29. STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the Reserve Bank of India ('RBI') issued guidelines on April 27, 2021, concerning the appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs), according to which the Statutory Auditors can take up audit of only up to 8 (Eight) NBFCs and according to the provisions of Section 139 and 142 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and pursuant to recommendation made by the Board of Directors in its meeting held on April 04, 2022, the Members of the Company approved the appointment of M/s Serva Associates, Chartered Accountants (Firm Registration No.: 000272N) as Statutory Auditors of the Company for a period of three years from the conclusion of Seventh AGM to Ninth AGM i.e. from Financial Year 2023-24 to Financial Year 2025-26 on such terms & conditions and remuneration as may be mutually decided by the Statutory Auditors and the Board of Directors of the Company.

The Report given by the Statutory Auditors on the Financial Statements as on March 31, 2026 of the Company is part of the Annual Report. Your directors do not observe any qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The Board has placed on record its sincere appreciation for the services rendered by M/s. Serva Associates, Chartered Accountant.

Since, the tenure of M/s Serva Associates, Chartered Accountants (Firm Registration No. 000272N), as Statutory Auditors of the Company, is already concluded as on financial year end i.e. 31st March, 2026 hence their term has completed.

In terms of the aforesaid RBI guidelines, the Statutory Auditors are not eligible for re-appointment upon completion of the prescribed tenure. Accordingly, the Board of Directors places on record its appreciation for the services rendered by the Statutory Auditors during their tenure.

Your Directors have recommended the appointment of M/s. V P Batra & Co., Chartered Accountants (Firm Registration No. 002095N), as the Statutory Auditors of the Company for a period of three consecutive financial years, commencing from the Financial Year 2026-27 and continuing up to the conclusion of the Annual General Meeting to be held for the Financial Year 2028-29, subject to the approval of the members of the Company and in accordance with the applicable provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India.

30. COST AUDITOR

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

31. SECRETARIAL AUDITORS

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



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32. INTERNAL AUDIT

The Company has established an independent and robust Internal Audit Function commensurate with the size, scale and nature of its business, in accordance with Section 138 of the Companies Act, 2013 and applicable regulatory requirements.

The Internal Audit Function operates independently and provides assurance on the adequacy and effectiveness of the Company's internal controls, risk management framework and governance processes.

The Internal Audit Function follows a risk-based audit approach, with audit activities planned and conducted based on the assessment of key business and operational risks. Internal Audit reports are placed before the Audit Committee of the Board for review and oversight.

Where required, the Company also leverages the expertise of professional firms and subject matter specialists to undertake specialised audits and reviews, commensurate with the nature and complexity of the relevant business activities and risks.

33. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

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

34. GRIEVANCE REDRESSAL MECHANISM

The Company has established a robust Customer Grievance Redressal Mechanism for receiving, handling and resolving customer complaints and grievances in a fair, transparent and timely manner. The Company is committed to treating all customers fairly and without discrimination, and ensures that grievances are handled with due courtesy and redressed expeditiously in accordance with the applicable RBI Directions, Fair Practices Code and other regulatory requirements.

The Company has also adopted and published its Grievance Redressal Policy, including the applicable escalation matrix, on its website to ensure transparency and provide customers with clear channels for escalation and resolution of their grievances.

35. CYBER SECURITY

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in cyber security.

36. MEETINGS OF THE BOARD OF DIRECTORS

During the period under review, the Board of Directors of the Company met 13 times. The intervening gap between any two board meetings was within the period prescribed by the Companies Act, 2013 ('Act') and the Articles of Association ('AoA') of the Company. Proper quorum was present at all the Board meetings held. The composition and details of the meetings held during the year under review are mentioned below.



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Sl. No.,	Name of Directors	Director Since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter/Independent/Nominee)	DIN	Number of Board Meetings		No. of other Directorship	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee (INR in Lakhs)	Commission	
1.	Mr. Tushar Aggarwal	11-02-2016	Managing Director	01587360	13	10	2	Nil	Nil	Nil	Nil
2.	Mrs. Shruti Aggarwal	11-02-2016	Director	06867269	13	13	2	859252	Nil	Nil	100
3.	Mr. Radhakrishnan Ramachandra Iyer	03-02-2021	Independent	01309312	13	13	2	Nil	14.29	Nil	Nil
4.	Mr. Vijay Ronjan	24-02-2022	Independent Director	09345384	13	13	3	Nil	12.50	Nil	Nil
5.	Mr. Vijay Jasuja	17-08-2022	Independent Director	07924822	13	13	0	Nil	15.16	Nil	Nil
6.	Mr. Botlaguduru Srinivas	24-12-2025	Independent Director	11416286	3	3	0	Nil	2.62	Nil	Nil

Details of the Meeting:

S. No.	Date of the Board Meeting	No. of Directors required to attend the BM	No. of Directors attended the BM
1.	3 rd April 2025	5	4
2.	25 th April 2025	5	4
3.	28 th May 2025	5	5
4.	08 th July 2025	5	5
5.	13 th August 2025	5	5
6.	05 th September 2025	5	4
7.	25 th September 2025	5	5
8.	14 th November 2025	5	5
9.	19 th December 2025	5	5
10.	24 th December 2025	5	5



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<u>S. No.</u>	<u>Date of the Board Meeting</u>	<u>No. of Directors required to attend the BM</u>	<u>No. of Directors attended the BM</u>
11.	11 th February 2026	6	6
12.	9 th March, 2026	6	6
13.	27 th March 2026	6	6

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

<u>S. No.</u>	<u>Name of Director</u>	<u>Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)</u>	<u>Nature of change (Resignation / Appointment)</u>	<u>Effective Date</u>
1.	Mr. Botlaguduru Srinivas	Independent Director	Appointment	24.12.2025

Except above, there was no other change in the composition of the Board during the current and previous financial year.

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

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

<u>Sl. No.</u>	<u>Type of Meeting (AGM / EGM)</u>	<u>Date of AGM/ EGM and Place</u>	<u>Total Number of Members</u>	<u>Number of Members Present</u>	<u>Special Resolution passed</u>
1.	AGM	30-09-2025, Delhi	2	2	1
2.	EGM	08-09-2025, Delhi	2	2	1
3.	EGM	02-01-2026, Delhi	2	2	1

38. COMMITTEE OF THE BOARD:

The Board has constituted various Committees to support the Board in discharging its responsibilities. As on March 31, 2026 the Company has 11 (Eleven) Committees of the Board, constituted in accordance with the provisions of the Act.

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

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



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I. Audit Committee ('AC'):

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

The Audit Committee met 4 (Four) times during the Financial Year 2025-26. The composition and details of the meetings held during the year under review are mentioned below.

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

Details of the Meeting:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	28 th May, 2025	5	5
2.	13 th August, 2025	5	5
3.	14 th November, 2025	5	5
4.	11 th February, 2026	5	5

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

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

The NRC is responsible for implementation of best practices being followed in the appointment and reappointment of Directors. The Committee evaluates the integrity and credibility of its directors / Key Managerial Personnel ('KMP') / Senior Managerial Personnel ('SMP') engaged/to be engaged in managing and



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directing the affairs of the Company in sound and prudent manner.

The objective is also to establish a transparent, fair and rational process for determining the appropriate candidate at reasonable remuneration at all the levels of the Company in accordance with the criteria laid down by the Committee and in accordance with applicable laws.

The composition and details of the NRC meetings held during the Financial Year 2025-2026 are mentioned below.

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

Details of the Meeting:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	28 th May, 2025	5	5
2.	14 th November, 2025	5	5
3.	24 th December, 2025	5	5
4.	11 th February, 2026	5	5

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

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



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

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

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

The MOCB Committee met 81 (Eighty-One) times during Financial Year 2025-26.

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

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/ Independent Director/Member)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Tushar Aggarwal	17-08-2022	Managing Director	81	81	Nil
2.	Mrs. Shruti Aggarwal	17-08-2022	Director	81	81	100
3.	*Mr. Emany Srinivas Pramodh	28-05-2025	Special Invitee	31	31	0
4.	Mr. Varun Chhabra	28-05-2025	Special Invitee	75	75	0
5.	**Mr. Bibhor Halan	14-11-2025	Special Invitee	40	40	0
6.	***Pankaj Kumar	29-04-2026	Special Invitee			

*Mr. Emany Srinivas Pramodh was the special invitee of the Committee till 14th November, 2025.

**Mr. Bibhor Halan was added as the special invitee of the Committee on 14th November, 2025 and exited on 29th April 2026.

***Mr. Pankaj Kumar – Chief Financial officer was appointed as special invitee on 29th April 2026.

Details of the Meeting:

Sr. No	Date of Meeting	Total Number of Members / Special Invitees	Number of Members present
1	30th April, 2025	Member: 2 Special Invitee: 0	Member: 2 Special Invitee: 0
2	6th May, 2025	Member: 2 Special Invitee: 0	Member: 2 Special Invitee: 0



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Gurgaon - 122011

AKARA CAPITAL ADVISORS PRIVATE LIMITED

3	9th May, 2025	Member: 2 Special Invitee: 0	Member: 2 Special Invitee: 0
4	20th May, 2025	Member: 2 Special Invitee: 0	Member: 2 Special Invitee: 0
5	22nd May, 2025	Member: 2 Special Invitee: 0	Member: 2 Special Invitee: 0
6	27th May, 2025	Member: 2 Special Invitee: 0	Member: 2 Special Invitee: 0
7	6th June, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
8	13th June, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
9	20th June, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
10	27th June, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
11	1st July, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
12	11th July, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
13	22nd July, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
14	25th July, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
15	1st August, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
16	4th August, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
17	8th August, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
18	14th August, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
19	21st August, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
20	27th August, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
21	29th August, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
22	1st September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
23	2nd September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
24	10th September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
25	15th September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2



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26	16th September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
27	22nd September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
28	23rd September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
29	29th September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
30	30th September, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
31	06th October, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
32	07th October, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
33	13th October, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
34	15th October, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
35	17th October, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
36	24th October, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
37	28th October, 2025	Member: 2 Special Invitee: 1	Member: 2 Special Invitee: 1
38	29th October, 2025	Member: 2 Special Invitee: 1	Member: 2 Special Invitee: 1
39	31st October, 2025	Member: 2 Special Invitee: 1	Member: 2 Special Invitee: 1
40	10th November, 2025	Member: 2 Special Invitee: 1	Member: 2 Special Invitee: 1
41	14th November, 2025	Member: 2 Special Invitee: 1	Member: 2 Special Invitee: 1
42	17th November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
43	18th November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
44	19th November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
45	21st November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
46	24th November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
47	25th November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
48	27th November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2



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49	28th November, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
50	4th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
51	8th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
52	9th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
53	11th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
54	12th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
55	16th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
56	17th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
57	22nd December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
58	24th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
59	30th December, 2025	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
60	2nd January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
61	6th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
62	8th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
63	12th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
64	16th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
65	27th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
66	28th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
67	29th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
68	30th January, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
69	2nd February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
70	5th February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
71	6th February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2



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72	10th February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
73	11th February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
74	18th February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
75	19th February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
76	26th February, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
77	12 th March, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
78	19 th March, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
79	26 th March, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
80	27 th March, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2
81	30 th March, 2026	Member: 2 Special Invitee: 2	Member: 2 Special Invitee: 2

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

The Asset Liability Management Committee ("ALCO") functions in accordance with the applicable RBI Directions on Liquidity Risk Management. The ALCO is responsible for reviewing and monitoring the Company's asset and liability profile to ensure that its funding and asset-liability activities remain aligned with the applicable regulatory requirements, minimum capitalisation and solvency norms, and the overall liability and risk profile of the business.

The ALCO regularly monitors the maturity and liquidity mismatches between the Company's assets and liabilities and ensures that such mismatches remain within the approved and acceptable tolerance levels. It also reviews the Company's liquidity position and funding profile to support prudent liquidity management and effective management of associated risks.

Composition and Meetings of ALCO during the Financial Year 2025-2026 are as below:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/ Independent Director/Member)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Tushar Aggarwal	09-11-2023	Chairman	4	3	0
2.	Mrs. Shruti Aggarwal	09-11-2023	Director	4	4	100
3.	Mr. Ashish Jha	24-09-2024	Member	4	4	0



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4.	Mr. Pankaj Kumar	09-11-2023	Member	4	4	0
5.	*Mr. Emany Srinivas Pramodh	31-01-2025	Member	2	2	
6.	**Mr. Bibhor Halan	14-11-2025	Member	1	1	0

*Mr. Emany Srinivas Pramodh was the member of the Committee till 14th November, 2025.

** Mr. Bibhor Halan was added to the Committee on 14th November, 2025 and exited from the Committee on 29th April 2026.

Details of the Meeting:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	28 th April, 2025	5	5
2.	04 th August, 2025	5	4
3.	13 th November, 2025	4	4
4.	10 th February, 2026	5	5

The Company has adopted the Liquidity Risk Management Framework as required under RBI Master Directions.

The Committee monitors trends in the economy in general in particular with a view towards limiting any potential adverse impact on the Company's earnings and base decisions for future business strategy.

V. Risk Management Committee ('RMC'):

The Risk Management Committee ("RMC") operates in accordance with the applicable provisions of the RBI Master Directions and the Company's governance framework. The Company has established clearly defined roles and responsibilities that enable and empower the Management to identify, assess, monitor and manage risks effectively while pursuing business opportunities in a prudent manner.

The RMC is responsible for overseeing the Company's overall risk management framework, including the formulation and monitoring of the risk strategy, risk management policies and risk appetite/tolerance levels. The Committee reviews the principal risks faced by the Company, including credit, market, operational, liquidity, technology and other relevant risks, and monitors the adequacy and effectiveness of the systems and processes established for their identification, assessment, monitoring and mitigation.

The RMC also reviews the risk identification and management processes developed by the Management to ensure that they remain aligned with the Company's business strategy, objectives and business plan, and that the Company's risk exposures remain within the approved risk appetite and applicable regulatory requirements.

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

Composition and Meetings of RMC during the Financial Year 2025-2026 is as follows:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/	Number of Meetings of the Committee	No. of shares held in
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AKARA CAPITAL ADVISORS PRIVATE LIMITED

			Independent Director/(Member)	Held	Attended	the Company
1.	Mr. Tushar Aggarwal	17-08-2022	Chairman	4	4	0
2.	Mrs. Shruti Aggarwal	17-08-2022	Director	4	4	100
3.	Mr. Varun Chhabra	17-08-2022	Member	4	4	0
4.	*Ms. Aparna Bihany	31-01-2025	Member	3	3	0
5.	**Mr. Amit Doger	31-01-2025	Member	3	3	0
6.	***Ms. Deepti Agnihotri	14-11-2025	Member	1	1	0

*Ms. Aparna Bihany and **Mr. Amit Doger was the members of the Committee till 14th November, 2025.

***Ms. Deepti Agnihotri was appointed as Member of the RMC Committee w.e.f. 14th November 2025.

Details of the Meeting:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	28 th May, 2025	5	5
2.	13 th August, 2025	5	5
3.	13 th November, 2025	4	4
4.	10 th February, 2026	4	4

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

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

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

Composition and Meetings of ITSC during the Financial Year 2025-2026 is as follows:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Director/	Number of Meetings of the Committee	No. of shares held in
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AKARA CAPITAL ADVISORS PRIVATE LIMITED

			Independent Director/(Member)	Held	Attended	the Company
1.	Mr. Vijay Jasuja	09-11-2023	Chairman	5	5	0
2.	Mr. Tushar Aggarwal	09-11-2023	Member	5	5	0
3.	Mrs. Shruti Aggarwal	09-11-2023	Member/Director	5	5	100
4.	*Mr. Karan Talwar	15-06-2024	Member	3	3	0
5.	**Mr. Pankaj Badgotra	22-11-2024	Permanent Invitee	3	3	0
6.	Mr. Siddharth Mahajan	14-11-2025	Permanent Invitee	1	1	0
7.	Mr. Abhishek Gupta	14-11-2025	Member	2	2	0
8.	***Mr. Reetik Ranjan	11-02-2026	Permanent Invitee			

*Mr. Karan Talwar – Member exited from the Committee on 14th November 2025.

**Mr. Pankaj Badgotra – Permanent Invitee exited from the Committee on 14th November 2025.

***Mr. Reetik Ranjan – Permanent Invitee exited from the Committee on 16th June 2026.

Details of Meetings:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	28 th May, 2025	5	5
2.	13 th August, 2025	5	5
3.	05 th November, 2025	5	5
4.	24 th December, 2025	5	5
5.	11 th February, 2026	4	4

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

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

VII. Special Committee of the Board for Monitoring and Follow-Up of Cases of Frauds ('SCBMF'):



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The SCBMF is responsible for overseeing the effectiveness of the fraud risk management framework and reviewing cases of fraud, including conducting root cause analysis and recommending appropriate mitigating measures to strengthen internal controls, enhance the risk management framework and minimise the incidence of fraud. The Committee also oversees the effectiveness of the framework relating to Early Warning Signals (“EWS”).

Composition and Meetings of the Committee during the Financial Year 2025-2026 is as follows:

Sl. No.	Name of Members	Chairman/Membe	Member of the Committee since	Number of Meeting of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Radhakrishnan Ramachandra Iyer	Chairman	13.08.2024	0	0	0
2.	Mr. Tushar Aggarwal	Member	13.08.2024	0	0	0
3.	Mrs. Shruti Aggarwal	Member	13.08.2024	0	0	100
4.	Mr. Vijay Ronjan	Member	13.08.2024	0	0	0
5.	*Ms. Aparna Bihany	Member	31.01.2025	0	0	0
6.	Mr. Varun Chhabra	Member	14.11.2025	0	0	0
7.	Mr. Ankur Bansal	Member	14.11.2025	0	0	0

*Ms. Aparna Bihany was the member of the Committee till 14th November, 2025.

There were no meetings conducted for the Committee during the period under review.

The Company has implemented the Fraud Risk Management Policy to establish a comprehensive framework for the prevention, detection, investigation, and reporting of fraud, ensuring compliance with the Reserve Bank of India.

The Company is committed to adhere to the highest possible standards of ethical practices, moral and legal conduct of business operations and to maintain these standards. The Company encourages its employees to communicate cases of actual or suspected fraud so that investigations can be undertaken, and corrective action be taken if warranted.

VIII. Pricing / Credit Committee:

The Committee shall be responsible for overseeing and reviewing the practices and processes prescribed under this Policy to ensure that they adequately address the identified requirements, including establishing and modifying credit portfolio limits and lending rates based on the nature of the loan products; reviewing changes in the methodology for determining interest rates, charges and fees; establishing or modifying the delegation of authority for waiver of charges and fees; overseeing the Company’s credit and lending strategies and objectives; overseeing the credit risk management framework, including the review of loan and credit policies and portfolio limits; ensuring that problem loans and bad debts are addressed expeditiously to minimize credit losses and maximize recoveries; and reviewing portfolio trends, including growth, target market composition, risk quality, loan tenor and other relevant parameters.

Composition and Meetings of the Committee during the Financial Year 2025-2026 is as follows:



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Sl. No.	Name of Members	Chairman/Mem	Member of the Committee since	Number of Meeting of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mrs. Shruti Aggarwal	Chairman	13.08.2024	8	8	100
2.	Mr. Tushar Aggarwal	Member	09.10.2024	8	8	0
3.	*Mr. Vijay Ronjan	Member	09.10.2024	3	3	0
4.	Mr. Varun Chhabra	Member	13.08.2024	8	8	0
5.	Mr. Ashish Jha	Member	13.08.2024	8	8	0
6.	Mr. Pankaj Kumar	Member	13.08.2024	8	8	0
7.	**Ms. Aparna Bihany	Member	13.08.2024	3	3	0
8.	***Mr. Amit Doger	Member	13.08.2025	3	3	0

*Mr. Vijay Ronjan was the members of the Committee and exited on 13th August, 2025.

**Ms. Aparna Bihany was the members of the Committee and exited on 13th August, 2025.

*** Mr. Amit Doger was appointed as the member of the Committee and exited on 11th February 2026.

Details of Meetings:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	9 th April, 2025	7	7
2.	28 th May, 2025	7	7
3.	25 th July, 2025	7	7
4.	16 th September, 2025	6	6
5.	30 th December, 2025	6	6
6.	05 th February, 2026	5	5
7.	10 th March, 2026	5	5
8.	30 th March, 2026	5	5

IX. Information Security Committee (ISC):

The Information Security Committee (“ISC”) was constituted under the oversight of the IT Strategy and Steering Committee (“ITSC”) on September 18, 2024, pursuant to the Reserve Bank of India’s Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices, bearing reference no. RBI/2023-24/107 DoS.CO.CSITEG/SEC.7/31.01.015/2023-24 dated November 7, 2023 (the “Master Direction”).

The ISC is responsible for developing information and cyber security policies and overseeing the implementation of related policies, standards and procedures to ensure that identified risks are managed within the risk appetite of the Regulated Entity; approving and monitoring information security projects and security awareness initiatives; reviewing cyber security incidents, information systems audit observations, and related monitoring and mitigation activities; and periodically updating the ITSC and the Chief Executive Officer (“CEO”) on the activities and key developments of the ISC.

Composition and Meetings of the Committee during the Financial Year 2025-2026 is as follows:



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Sl. No.	Name of Members	Chairman/Membe	Member of the Committee since	Number of Meeting of the Committee		No. of shares held in the Company
				Held	Attended	
1.	*Mr. Amit Doger	Member	18.09.2024	3	3	0
2.	*Mr. Pankaj Badgotra	Member	13.03.2025	3	3	0
3.	*Ms. Aparna Bihany	Member	18.09.2024	3	3	0
4.	*Mr. Karan Talwar	Member	18.09.2024	3	3	0
5.	Mr. Pankaj Kumar	Member	18.09.2024	4	4	0
6.	Mr. Ram Basnet	Member	18.09.2024	4	4	0
7.	Mr. Varun Chhabra	Member	24.12.2025	1	1	0
8.	**Mr. Siddharth Mahajan	Member	24.12.2025	1	1	0
9.	Mr. Abhishek Gupta	Member	24.12.2025	1	1	0

*Mr. Amit Doger, Mr. Pankaj Badgotra, Ms. Aparna Bihany and Mr. Karan Talwar were the members of the Committee and exited on till 24th December, 2025.

**Mr. Siddharth Mahajan was appointed as the members of the Committee and exited on 27th February 2026.

Details of Meetings:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	05 th May, 2025	6	6
2.	04 th August, 2025	6	6
3.	31 st October, 2025	4	4
4.	21 st January, 2026	5	4

X. POSH Committee:

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

Composition and Meetings of Committee during the Financial Year 2025-2026 is as follows:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Presiding Officer/ Member / External Member)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	*Mrs. Shruti Aggarwal	17-08-2022	Presiding Officer	0	0	100
2.	Ms. Deepti Agnihotri	11-02-2026	Presiding Officer	0	0	0
3.	*Ms. Amrita Shetty	31-01-2025	Member	0	0	0



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4.	Mr. Varun Chhabra	17-08-2022	Member	0	0	0
5.	Ms. Ritika Dhamija	17-08-2022	External Member	0	0	0
6.	Ms. Kanika Sikka	17-08-2022	Member	0	0	0
7.	*Ms. Aparna Bihany	31-01-2025	Member	0	0	0
8.	**Mr. Bibhor Halan	14-11-2025	Member	0	0	0
9.	** Mr. Ankur Bansal	14-11-2025	Member	0	0	0
10.	** Ms. Rashmi Priya	14-11-2025	Member	0	0	0
11.	***Ms. Rishika Patodi	11-02-2026	Member	0	0	0
12.	Mr. Ashish Bansal	11-02-2026	Member	0	0	0
13.	Ms. Neha Kundaliya	29-04-2026	Member	0	0	0

* Ms. Shruti Aggarwal, Ms. Amrita Shetty and Ms. Aparna Bihany were the members of the Committee and exited on 14th November, 2025.

**Mr. Bibhor Halan, Mr. Ankur Bansal and Ms. Rashmi Priya were added as the members of the Committees and exited on 14th November, 2025.

***Ms. Rishika Patodi was added as member of the Committee and exited on 29th April 2026.

There was no POSH Committee Meeting held during the Financial Year 2025-26.

Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Following is the summary of sexual harassment complaints received and disposed-off during the financial year ended March 31, 2026.

- a. No. of Sexual Harassment Complaints received during the year: Nil
- b. No. of such Complaints disposed-off during the year: Nil
- c. No. of cases pending for a period exceeding ninety-days: Nil

XI. Corporate Social Responsibility ('CSR') Committee:

The provisions relating to Corporate Social Responsibility ("CSR") under Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are applicable to the Company, as the Company crossed the prescribed net profit threshold of ₹5 crore for the financial year ended March 31, 2022.

Accordingly, the Company has constituted a Corporate Social Responsibility Committee ("CSR Committee") to oversee and monitor the Company's CSR activities and initiatives undertaken in furtherance of social and environmental causes, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder

During the year under report, one CSR Meeting was held on 04/12/2025. CSR report is enclosed as **Annexure III**.



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Composition and Meetings of Committee during the Financial Year 2025-2026 is as follows:

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

Details of the Meetings:

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	04 th December, 2025	3	3

The Company has in place a Corporate Social Responsibility Policy pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The CSR obligation of the Company for the Financial Year 2025-26 is INR 2,42,13,432/- As on 31 March 2026, total amount spent on CSR activities by Company was INR 2,42,13,432/-.

39. MANAGERIAL REMUNERATION

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

40. ISSUANCE OF NON-CONVERTIBLE DEBENTURES

The Company confirms compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including Chapter V applicable to debt listed entities. The Company has maintained Asset Cover in accordance with Rule 18(7)(b)(ii) of the Companies (Share Capital & Debentures) Rules, 2014, submitted

periodic certificates to Debenture Trustees, and ensured timely creation of security and registration of charges. ISINs for all listed NCDs have been disclosed in the notes to accounts. The proceeds of the NCDs were utilized strictly for the objects stated in the offer documents

During the period under review, your Company has raised INR 983 Crores through issuance of Listed, Secured, Rated, Redeemable Non-Convertible Debentures ('NCDs') on private placement basis to eligible investors



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

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

- A. Catalyst Trusteeship Limited
- B. Axis Trustee Services Limited
- C. Beacon Trusteeship Limited

41. CREDIT RATINGS

During the year under review, the Company's financial discipline, prudent financial management and robust credit profile are reflected in the credit ratings assigned by various credit rating agencies. The details of the credit ratings affirmed, reaffirmed or newly assigned to the Company's securities, instruments, loans, credit facilities and other borrowings as of July 22, 2026, are summarized below:

Sl. No.	Name of Instrument	Rating Agency	Rating	Outlook	Amount (In Crores)
1	Non-Convertible Debentures	ICRA	BBB	Stable	1426.40
		India Rating	BBB	Stable	200.00
		CARE	BBB	Stable	200.00
		Acuite	BBB+	Stable	500.00
2	Long Terms - Others	ICRA	BBB	Stable	200.00
		CARE	BBB	Stable	100.00
3	Commercial Paper	ICRA	A3+	-	300.00
		CARE	A3+	-	300.00
4	Bank Loans	India Rating	BBB	Stable	50.00
		Acuite	BBB+	Stable	300.00

- India Ratings and Research Private Limited reaffirmed the Company's long-term credit rating at BBB (Stable).
- ICRA Limited reaffirmed the Company's long-term credit rating at BBB (Stable) and its short-term credit rating at A3+ for Commercial Paper.
- CARE Ratings Limited reaffirmed the Company's long-term credit rating at BBB (Stable) and its short-term credit rating at A3+ for Commercial Paper.
- Acuite Ratings & Research Limited assigned and upgraded the Company's long-term credit rating to BBB+ (Stable).

The credit ratings assigned and reaffirmed by the respective credit rating agencies reflect their assessment of the Company's strengthened financial profile, sustained business performance and improved credit fundamentals. These ratings reaffirm the Company's sound financial position, robust capital base, consistent profitability and enhanced fund-raising capabilities. The improved credit profile is expected to support access to capital at competitive costs, mitigate refinancing risks and facilitate the Company's sustainable growth and expansion.



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42. DEPOSITORY SYSTEM

The Company's Equity Shares are not listed on Stock Exchange. As on 31st March 2026, Equity Shares of INR 3,19,25,71,260/- (Indian Rupees Three Hundred Nineteen Crores Twenty-Five Lakhs Seventy-One Thousand Two Hundred and Sixty Only) divided into 31,92,57,126/- Equity Shares at the Face Value of INR 10/- (Indian Rupees Ten Only) each were held in dematerialized form with National Securities Depository Limited ('NSDL').

43. PARTICULARS OF EMPLOYEES

The Particulars of Employees covered under the provisions of Section 197 of Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

44. HOLDING COMPANY

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

45. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

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

46. 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	2025-26 (in lakhs)	2024-25 (in lakhs)
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	6201.14	4,855.59



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47. VIGIL MECHANISM / WHISTLE-BLOWER POLICY

The Company has in adopted Vigil Mechanism / Whistle-Blower Policy pursuant to the requirements of the section 177(9) & (10) of the Act read with Rule 7 of the Companies (Meeting of the Board and its Power) Rules,

2014. The Audit Committee reviews the functioning of the Policy. The Policy enables directors and employees to report to the Management their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and leak or suspected leak of unpublished price sensitive information.

The Vigil Mechanism Framework provides for adequate safeguards against victimization of the persons who use such mechanism and make provisions for direct access to chairman of Audit Committee. The Company believes in promoting a fair, transparent, ethical and professional work environment. Responsible and lawful conduct forms the fundamental basis for the trust.

The effectiveness of the Vigil Mechanism is reviewed by the Audit Committee, which ensures that all grievances are handled promptly and judiciously. The Audit Committee's oversight ensures that the framework is accessible to all stakeholders and that it aligns with best practices.

During the financial year 2025-26, following is the summary of complaints received and disposed-off:

No. of complaints received: Nil

No. of complaints received: Nil

The Vigil Mechanism / Whistle Blower Policy of the Company is available on the Company's website at <https://www.akaracap.com/docs/Policies/Whistle-Blower-Policy.pdf>.

48. STATEMENT ON COMPLIANCES WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable of the Secretarial Standards (SS-1 and SS-2) relating to 'Meeting of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs in terms of the provisions of Section 118 of the Companies Act, 2013.

During the year under review the Company have complied the secretarial standards issued by the Institute of Company Secretaries of India.

49. RBI DIRECTIONS – COMPLIANCE

The Company continues to fulfil all the norms and standards laid down by the RBI pertaining to non- performing assets, capital adequacy, statutory liquidity assets, etc. Your Company complies with the direction(s), circular(s), notification(s) and guideline(s) issued by the RBI as applicable to your Company as a Non-Deposit taking Non-Banking Financial Company ('NBFC'), considered as NBFC-Middle Layer ('NBFC-ML').



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The Company has in place the system of ensuring compliance with applicable provisions of Foreign Exchange Management Act, 1999 and rules made thereunder. In line with the RBI guidelines for Asset Liability Management (ALM) system for NBFCs, the Company has an Asset Liability Management Committee, which meets at regular intervals to review its ALM risks and opportunities.

The Company continues to be in compliance with the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and other RBI Directions, as amended from time to time³.

Your Company has complied with all the norms prescribed by the RBI including the Fair Practices Code, Anti Money Laundering and Know Your Customer (KYC) guidelines besides other applicable guidelines.

50. INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

During the period under review, your Company adhered to the Internal Guidelines on Corporate Governance adopted in accordance with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 issued by Reserve Bank of India, defines and lays down the Corporate Governance practices of the Company towards its various stakeholders. The said policy is available on the website of the Company in Policy Section and can be accessed at <https://www.akaracap.com/investor-relations>.

51. COMPLIANCE MANAGEMENT

The Company has in place a comprehensive and robust regulatory compliance management tool, which is devised to ensure compliance with all applicable laws and regulations, which impact the Company's business. Automated alerts are sent to compliance owners to ensure adherence within stipulated timelines. This measure helps keep on track and avoid any penalties or other enforcement actions that could arise from non-compliance.

The compliance owners certify the compliance status, which is reviewed by compliance approvers, and a consolidated dashboard is presented to the respective functional heads and Chief Compliance Officer of the Company.

52. PROHIBITION OF INSIDER TRADING

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, and applicable to its listed debt securities, the Company has implemented a robust Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI). This includes established mechanisms for reporting, monitoring, and inquiring into any leak or suspected leak of UPSI, thereby strengthening the Company's overall insider trading governance framework.

53. 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.

54. TRANSFER OF UNCLAIMED INTEREST / PRINCIPAL AMOUNT OF NON-CONVERTIBLE DEBENTURES TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with Sections 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, any interest or principal amount on Non-Convertible Debentures (NCDs) remaining unclaimed for a period of seven (7) consecutive years is



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required to be transferred to the Investor Education and Protection Fund (IEPF) within thirty (30) days from the due date.

As of March 31, 2026, unclaimed interest/principal amounts aggregating to INR 39,20,474.11/- (pertaining to 303 Debenture Holders) were lying in the Unclaimed Interest/Principal Account of the Company.

There has been no default by the Company in the timely payment of interest or principal on its NCDs.

Further, in compliance with SEBI Regulations / Circulars, the Company has implemented a procedural framework and adopted a formal Policy on Unclaimed Amounts for Non-Convertible Debentures, outlining the procedure for debenture holders to claim such funds. The Policy is accessible on the Company's website at <https://www.akaracap.com/investor-relations>.

As of date, no unclaimed interest or principal on NCDs has matured for transfer to the IEPF. The Company will transfer the applicable amounts to the IEPF as and when they fall due upon completion of the statutory seven-year period.

55. ANNUAL EVALUATION OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of Section 178(2) and Section 134(3)(p) of the Companies Act, 2013 read with rules made thereunder and Listing Regulation and Nomination and Remuneration Policy of the Company, Nomination Remuneration Committee of the Board of Directors have carried out annual performance evaluation of the Board, the Directors individually as well as the evaluation of the working of its Committees.

As the ultimate responsibility for sound governance and prudential management of a Company lies with its Board, it is imperative that the Board remains continually energized, proactive and effective. The Companies Act, 2013 not only mandates evaluation of the Board, its Committees and Directors, but also at the same time requires the evaluation to be formal, regular and transparent.

Independent Directors held their separate meeting on 20th March 2026 without the attendance of non-independent directors and members of Management, inter alia, to discuss the following:

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In furtherance to the same, the Nomination and Remuneration Committee in its meeting held on 29th May 2026 considered the outcome of the evaluation process and deliberated upon the observations and feedback received.

The Nomination and Remuneration Committee of the Board evaluated the performance of individual Director(s) on the Board excluding the Director being evaluated, the Board as a whole, Chairperson of the Board and all of its committees based on the evaluation criteria of the Company defined under Nomination and Remuneration Policy. The evaluations are based on questionnaire prepared which assessed the performance of the Board on



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select parameters related to roles, responsibilities and obligations, fit and proper criteria of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

It was further acknowledged that every individual Member and Committee of the Board contribute their best in the overall growth of the organization and the Board of Directors expressed their satisfaction with the evaluation process.

56. 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.

57. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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

58. POLICIES AND PRACTICES

The Company has formulated all the policies which are mandatory as per applicable laws relevant to the Company. The Board of Directors and Committee of the Board, as applicable, periodically review these policies.



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59. MATERNITY BENEFIT ACT

The Company is committed to ensuring a safe, inclusive, and supportive work environment for all employees. The Company has complied with the provisions of the Maternity Benefit Act, 1961, and extends all benefits and protections under the Act to eligible employees. Adequate internal policies and procedures are in place to uphold the rights and welfare of women employees in accordance with the applicable laws.

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

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

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

Not Applicable.

ACKNOWLEDGEMENTS

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

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

By the Orders of Board of Directors

For Akara Capital Advisors Private Limited

Sd/-
Tushar Aggarwal
(Managing Director)
DIN: 01587360
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi – 110054

Sd/-
Shruti Aggarwal
(Director)
DIN: 06867269
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi - 110054

Date: 29th July, 2026
Place: Gurugram, Haryana



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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:

There were no contract or arrangement or transactions entered into during the year ended March 31, 2026, which were not arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sl. No.	Name(s) of the Related Party	Nature of Relationship	Nature of contracts/arrangements/transactions	Transaction Value (INR in Lakhs)	Duration of Transaction	Silent Terms of transaction	Date of approval by the Board	Amount paid in Advance (INR in Lakh)
1	Morus Technologies Pte. Ltd	Holding Company	Foreign Loan	5798.31	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
2			Interest Payment on Foreign Loan	6166.14				
3			Commission on Corporate Guarantee	35.00				
4	EQX Analytics Private Limited	Fellow Subsidiary Company	Lead Generation Expenses	3624.42	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
5			Reimbursement Expenses	5.65				
6			Bad Debt Recovery	345.35				
7			Infra Sharing Expenses	155.70				
8			Commission on Corporate Guarantee	1259.79				
9			Rental Income	7.50				



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10			Customer Collections	61.08				
11			Manpower Service Capitalisation	918.84				
12			Dialer Services Fee	63.35				
13	Titanium Fortune Financial Services Private Limited	Fellow Subsidiary Company	Loan Taken	510.00	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
14			Loan Repaid	510.00				
15			Interest Payment on Loan taken	1.65				
16	Vishuv Invest Private Limited	Associate Company	Loan Taken	191.00	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
17			Loan Repaid	191.00				
18			Interest on Loan Taken	0.06				
19			Investment in the listed NCDs of the Company (Face Value)	235.00				
20			Interest paid on listed NCDs	9.63				
21	Mrs. Shruti Aggarwal	Director	Managerial remuneration	8.59	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
22			Reimbursement Of Expenses	13.12				
23			Referral Incentives	0.10				
24			Share based payment expense	652.14				



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25	Mr. Radhakrishnan Ramachandra Iyer	Independent Director	Directors sitting fees	13.50	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
26	Mr. Vijay Jasuja	Independent Director	Directors sitting fees	14.25	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
27	Mr. Vijay Ronjan	Independent Director	Directors sitting fees	12.38	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
28	Mr. Srinivas Botlaguduru	Independent Director	Directors sitting fees	2.63	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil



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29	Mr. Simarjeet Singh	Company Secretary and Compliance Officer	Managerial Remunerati on	20.05	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil
30	Mr. Pankaj Kumar	Chief Financial Officer	Managerial Remunerati on	42.28	1st April, 2025 to 31st March, 2026	The related party transactions (RPTs) entered during the period were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable	Nil



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ANNEXURE – II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. AN OVERVIEW

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

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

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

Over the years, Akara Capital has emerged as a leading fintech player in the country’s fintech NBFC sector.

2. GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund’s (“IMF”) *World Economic Outlook*, the global economy is expected to remain resilient, although the outlook continues to be shaped by significant geopolitical, inflationary, financial and structural challenges. The IMF report highlights that global growth prospects are supported by continued economic activity, investment and structural transformation, but remain vulnerable to downside risks arising from geopolitical tensions, commodity price volatility, trade disruptions and financial market uncertainty.

Significant Challenges:

- **Geopolitical and Conflict Risks:** Ongoing geopolitical tensions and conflicts may disrupt energy supplies, trade flows, supply chains and financial markets, adversely impacting global growth and investor confidence.
- **Inflation and Commodity Price Volatility:** Fluctuations in energy and commodity prices may result in renewed inflationary pressures and increase production and borrowing costs.
- **Trade and Supply Chain Disruptions:** Trade restrictions, tariffs and disruptions involving critical commodities and minerals may adversely affect international trade, investment and manufacturing activity.
- **Higher Interest Rates and Tighter Financial Conditions:** Persistent inflationary pressures and elevated government borrowing may result in higher interest rates and tighter liquidity conditions, affecting credit demand and refinancing costs.



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- Elevated Public Debt and Fiscal Vulnerabilities: High fiscal deficits and rising public debt may reduce the ability of governments to respond effectively to future economic shocks and may increase sovereign and financial-market risks.
- Financial Market and Valuation Risks: A reassessment of expectations relating to technology and artificial intelligence investment may result in asset-price corrections and increased financial-market volatility.
- Uneven Growth Across Economies: Emerging markets and developing economies, particularly those dependent on commodity imports or external financing, may remain more vulnerable to external shocks and tighter global financial conditions.

Key Opportunities and Positive Factors

- ✓ Resilience of Global Economic Activity: Despite significant shocks and uncertainty, continued economic activity and resilient demand provide support to global growth.
- ✓ Technology and Artificial Intelligence Investment: Continued investment in technology and AI may support productivity, innovation, capital formation and long-term economic growth.
- ✓ Potential Moderation in Inflation: Inflation is expected to moderate over time if commodity price pressures ease and monetary policy remains effective.
- ✓ Structural Reforms and Productivity Gains: Reforms aimed at improving productivity, strengthening institutions and enhancing business conditions could support sustainable and inclusive growth.
- ✓ Potential Easing of Trade Tensions: Reduction in trade barriers and improved international cooperation could support global trade, investment and supply-chain stability.
- ✓ Emerging Market Growth Opportunities: Emerging markets may benefit from expanding domestic consumption, digitalisation, infrastructure development and increasing investment in technology and productivity-enhancing sectors.

Overall Assessment

Overall, the global economic outlook remains resilient but vulnerable to significant downside risks. The key opportunities arise from technology-led investment, productivity improvements, structural reforms and potential stabilisation of inflation and trade conditions. However, geopolitical tensions, commodity price volatility, elevated debt, tighter financial conditions and financial-market corrections remain significant challenges.

In this environment, businesses and financial institutions should maintain prudent financial and risk management practices, adequate liquidity and capital buffers, robust stress-testing frameworks and effective monitoring of credit, market, liquidity and operational risks.

(Source: <https://www.imf.org/en/publications/weo/issues/2026/07/08/world-economic-outlook-update-july-2026>)

3. INDIAN ECONOMY OVERVIEW

India continued to stand out as a key anchor of global growth, registering a GDP of 7.7% in FY 2025-26. The strength of the economy remains rooted in domestic demand, with consumption and investment together providing a stable growth base. Private consumption remains the primary driver, supported by rising real



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incomes, stable employment conditions, and improving rural and urban demand. Favourable agricultural output and policy measures, including tax rationalisation, have further strengthened household spending, enabling consumption to remain steady despite external uncertainties.

A. Investment Momentum and Infrastructure Push

Investment activity has remained firm, with Gross Fixed Capital Formation, holding at a healthy share of GDP. Public capital expenditure, particularly in infrastructure, continues to crowd in private sector participation and reinforce medium-term growth. Additionally, improving business sentiment and capacity expansion across sectors are also reinforcing this momentum.

B. Easing Inflation and Monetary Support

India's macroeconomic environment has become increasingly supportive of growth. Inflationary pressures have eased significantly, with headline CPI inflation averaging around 1.7% during April-December, FY 2025-26, aided by softer food prices and stable supply conditions. In response, the Reserve Bank of India kept the repo rate unchanged at 5.25% as of June 2026, reflecting a calibrated approach to supporting growth while keeping inflationary pressures under watch. This moderation has provided room for a more accommodative monetary stance, with policy measures aimed at supporting liquidity, lowering borrowing costs, and enhancing credit flow across sectors.

C. Prudent Fiscal Management

Fiscal management has remained disciplined and growth-oriented. Strong tax collections, continued progress in GST implementation, and calibrated expenditure have enabled the Government to sustain capital spending while maintaining fiscal discipline. Alongside a stable financial sector and ongoing structural reforms, these factors are reinforcing confidence and supporting broad-based growth. Even amid a challenging global backdrop marked by trade disruptions and financial volatility, India's domestically driven growth model, supported by policy stability and structural strength, continues to provide resilience and visibility to the outlook.

GDP Growth Rate

(In %)				
FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
8.7	7.0	7.2	6.5	7.7

D. Sector-wise Performance in FY 2025-26

- Agriculture and Allied Sectors: Agriculture and allied sectors is estimated to grow by 3.1% in FY 2025–26, supported by favourable monsoon conditions and the steady performance of allied segments such as livestock and fisheries. The rising contribution of these relatively stable activities is strengthening overall sector resilience, helping cushion the impact of periodic variability in crop output.
- Industry: The industrial sector is estimated to grow by 6.2% in FY 2025–26, reflecting improving momentum across key segments. Construction activity continues to remain robust, supported by sustained public capital expenditure and ongoing infrastructure investments. Strong demand for core materials such as steel and cement further indicates continued traction in infrastructure and real estate development.



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- iii. Services: The services sector is estimated to grow by 9.1% in FY 2025–26, maintaining its position as the primary driver of economic growth. The expansion reflects broad-based strength across service segments, supported by rising demand, increasing formalisation, and continued digital adoption, reinforcing its contribution to overall economic activity.

E. Union Budget, FY 2026-27

The Union Budget for FY 2026–27 outlines a calibrated approach to sustaining economic momentum while reinforcing fiscal prudence. Total government expenditure is pegged at approximately INR 53.47 Lakh Crores, with infrastructure remaining the centrepiece of the spending plan. Capital expenditure (CapEx) has been raised to around INR 12.2 Lakh Crores, up from IN 11.2 Lakh Crores in the previous year. This underscores the Government’s commitment to infrastructure-led growth through targeted investments in transport, energy, digital connectivity and urban development.

Complementing public spending, initiatives such as the Infrastructure Risk Guarantee Fund aim to crowd in private investment and enhance project viability. The Budget also supports agriculture, healthcare and manufacturing, while advancing India’s ambition to emerge as a global hub for production and innovation. At the same time, it follows a clear fiscal consolidation path, with gradual reduction in the fiscal deficit and debt levels to support macroeconomic stability alongside investment-led expansion.

(Source: (i) <https://newsonair.gov.in/rbi-keeps-repo-rate-unchanged-at-5-25-retains-neutral-stance/>; (ii) <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907>; (iii) https://www.indiabudget.gov.in/doc/budget_speech.pdf; (iv) <https://dttbharat.gov.in/>; (v) <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2269518®=3&lang=1>; (vi) [https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&lang=1@=3&utm](https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&lang=1@=3&utm;); (vii) <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2220004®=3&lang=1>; (viii) https://www.mospi.gov.in/uploads/latestReleases/latest_release_1767781372753_1380ce82-f5a5-440d-99e6-e6b35af0deb5_GDP_Press_Note_on_FAE_2025-26.pdf; (ix) <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2220800®=3&lang=1>)

4. INDIAN FINANCIAL SERVICES SECTOR OVERVIEW

India’s financial services sector entered FY 2025–26 on a stronger and more stable footing, underpinned by resilient economic activity, sustained credit demand and a more balanced interest rate environment. The central bank has highlighted that the banking system remains well-capitalised and adequately liquid, even as credit and deposit growth normalised from the elevated levels seen in the previous year.

A. Financial Inclusion Driving Expansion

Structural drivers such as financial inclusion and digital adoption continued to reinforce sectoral momentum. The RBI’s Financial Inclusion Index improved to 67 in 2025, reflecting broader access to formal financial services. At the same time, India’s digital payments ecosystem maintained its rapid expansion, with total transactions reaching 22,831 Crores in FY 2024–25. UPI remained a key enabler of this transformation, recording 20,394 Million transactions in February 2026 alone, underscoring its central role in everyday financial activity and the ongoing shift towards a less-cash economy. Additionally, the sector maintained a strong focus on prudence and risk management.

B. Policy Support with Regulatory Vigilance

Policy discussions around enhancing credit access for small businesses, including proposals to increase collateral-free loan limits, signal continued support for inclusive growth. However, regulatory guidance and supervisory assessments also emphasised the need for caution in select lending segments,



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particularly within non-bank financial institutions where pockets of stress have emerged. Overall, India's financial services sector continues to play a pivotal role in supporting economic expansion, while adapting to evolving credit dynamics, accelerating digital transformation and a progressively strengthening regulatory framework.

(Source: <https://data.rbi.org.in/DBIE/> <https://www.reuters.com/world/india/india-central-bank-holds-policy-rate-expected-2026-02-06/> <https://www.reuters.com/world/india/india-central-bank-cuts-repo-rate-by-25-bps-widely-expected-2025-12-05/> <https://economictimes.indiatimes.com/tech/technology/upi-transactions-surge-27-annually-at-20-39-billion-in-february-npci/articleshow/128906902.cms?from=mdr>, <https://www.pib.gov.in/PressNoteDetails.aspx?NotelD=154980&ModuleId=3®=3&lang=1>, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213154®=48&lang=2>)

5. NON-BANKING FINANCIAL COMPANY ('NBFC') INDUSTRY OUTLOOK

India's NBFC sector is on a sustained growth trajectory, with assets under management (AUM) expected to surpass ₹50 Lakh Crore in FY 2026-27 excluding government-owned NBFC's, as per CRISIL Ratings. NBFC credit growth has historically outpaced India's GDP growth and this trend is expected to continue. The AUM growth trajectory reflects both its expanding relevance and demonstrated resilience within India's financial ecosystem.

For FY 2025-26, the credit growth of NBFCs is estimated at 16.7% year on year, a slight moderation from 18.4% in FY 2024-25. Amid declining interest rates, NBFCs faced intense pricing competition from banks, particularly in housing, auto and MSME loans. However, NBFCs gained significant ground in the consumer durable segment, with their market share surging to 59% in FY 2025-26. While banks remained dominant in wholesale lending, NBFCs leveraged rising disposable income and rate cuts to drive retail expansion.

The near-term outlook remains constructive. For FY 2026-27, momentum is expected to gain further pace in specialised segments like Consumer Durable financing, with NBFC market share projected to reach 63%. Growth trajectories will nonetheless vary across segments, shaped by risk calibration, regulatory oversight and funding access. Balance sheet strength and funding diversification remain the critical differentiators.

A. High Focus on Retail Lending Driving Financial Inclusion

Banks remain the primary financial institutions in India, though retail loans accounted for only around 40% of total banking credit as of FY 2025-26. In contrast, retail credit constituted approximately 57% of the overall NBFC loan portfolio (ex-infra NBFCs) in the same period, highlighting the sector's focus on individual borrowers and small businesses.

This has created a meaningful opening for NBFCs to advance financial inclusion by catering to informal income profiles. Rural and semi-urban markets represent a vast untapped opportunity. NBFCs have played a significant role in addressing these financing needs by complementing banks and bridging gaps in credit availability across underserved regions.

B. Asset Quality

Asset quality across the NBFC sector remains resilient, though specific retail segments are witnessing pressure. In FY 2025-26, while overall GNPA ratios remained manageable, the GNPA ratio for NBFC personal loans rose to 8.1%, with particular stress in loans with ticket sizes below ₹50,000, where GNPA including write-offs surged to 39%.



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However, the systemic risk remains contained as these small-ticket loans account for only 6% of the NBFC personal loan portfolio. Across other productive segments like MSME and Consumer Durables, asset quality stayed within historical ranges, supported by tighter monitoring and improved collection efficiencies. Improving asset quality in core segments provides more comfort for mid-term growth.

6. REGULATORY DEVELOPMENT

The NBFC sector continued to grow its share in the financial services industry. In India, despite being different from banks, NBFCs are bound by the Indian banking industry rules and regulations. The RBI announced the slew of regulatory forbearances during the year.

The Reserve Bank of India had recently on October 10, 2025, undertaken a fundamental reorganization of the regulatory instructions administered by its Department of Regulation – marking a paradigm shift in its regulatory communication. The comprehensive exercise involved consolidation of more than 9000 existing circular/guidelines administered by Department of Regulation into 238 function-wise Master Directions (MDs), specific to each category of regulated entity.

Final document sets issued on November 28, 2025, by RBI are as follows:

- 244 Master Directions consolidating the instructions currently administered by the Department of Regulation on an 'as-is' basis;
- List of 9445 circulars/ guidelines are being repealed / withdrawn.

Key Highlights:

- Effective Date: November 28, 2025 (these directions shall come into effect on the day they are placed on the website of the Reserve Bank).
- Applicable Regulated Entities: All Non-Banking Financial Company

Objective:

- To optimize regulatory framework;
- To enhance clarity, ease of access, and reduce compliance burden for REs, thereby supporting the broader objective of improving ease of doing business.

In FY 2025-26 and FY 2026-27 (as on publishing this Report), the RBI has issued following important directions/circulars/guidelines:

- Reserve Bank of India (Non-Banking Financial Companies - Know Your Customer) Directions, 2025: This master direction was issued by the RBI on November 28, 2025. These directions establish a tailored, risk-based AML/CFT framework for NBFCs that standardizes digital onboarding and central registry reporting. By enabling seamless CKYCR data reuse and enforcing flexible, inclusive verification standards (non-mandatory Aadhaar, accessible liveness checks), it minimizes customer friction while sharpening regulatory oversight.



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- Reserve Bank of India (Non-Banking Financial Companies - Responsible Business Conduct) Directions, 2025: This master was issued on November 28, 2025 to mandate fair lending—requiring Key Facts Statements, transparent interest rate resets, non-punitive penal charges, and prompt property document release. By enforcing zero-tolerance standards for recovery agent harassment and strict DSA oversight, the framework firmly anchors borrower protection into the NBFC operating perimeter.
- Reserve Bank of India (Non-Banking Financial Companies – Managing Risk in Outsourcing) Directions, 2025: RBI issued Master Directions on Managing Risks in Outsourcing which consolidate financial and IT outsourcing into a single, risk-based framework that preserves total Board accountability and full RBI inspection rights over third-party vendors. It mandates zero-tolerance data security, tight subcontracting controls, and rapid 6-hour cyber incident reporting while holding NBFCs solely liable for operational disruptions and customer protection.
- Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025: These Directions are issued by Reserve Bank to encourage innovation in the financial systems, products and credit delivery methods while ensuring orderly growth, financial stability and protection of depositors' and borrowers' interest. The concerns primarily relate to unbridled engagement of third parties, mis-selling, breach of data privacy, unfair business conduct, charging of exorbitant interest rates, and unethical recovery practices.
- RBI (Non-Banking Financial Companies – Governance) Directions, 2025: These directions were issued on November 28, 2025. Through these Directions Reserve Bank establish a unified, standalone governance framework that transforms boardroom oversight from a soft expectation into an enforceable supervisory priority across all NBFC layers. By enforcing independent oversight and risk-aligned decision-making, the RBI aims to curb aggressive short-term profit strategies, build institutional trust, and safeguard stakeholder interests to ensure systemic financial stability.
- Guidance Note on Operational Risk Management and Operational Resilience: Reserve Bank issued Guidance Note on November 28, 2025 to align with global Basel principles to mandate a robust governance framework structured around a clear "Three Lines of Defence" model for all Regulated Entities (REs). It requires entities to proactively identify, assess, and mitigate operational risks arising from technological/cyber threats, third-party dependencies, internal frauds, and external disruptions. Crucially, it shifts the focus toward operational resilience by requiring REs to define impact tolerances for critical operations, map interdependencies, and execute business continuity plans to ensure uninterrupted financial service delivery during crisis events.
- Reserve Bank of India (Non-Banking Financial Companies – Credit Information Reporting) Amendment Directions, 2025: The RBI mandate weekly credit reporting through recent amendment in these directions which are effective from July 01, 2026 to eliminate data lags and ensure credit reports reflect near real-time borrower financial activity. This prevents high-risk borrowers from over-leveraging or "loan stacking" across multiple lenders during the gaps of longer reporting cycles. Ultimately, it enables lenders to make more accurate credit underwriting decisions, detect borrower distress early, and allow positive repayment behavior to reflect faster on credit scores.
- Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025: These directions were issued on November 28, 2026, it covers residual administrative, operational, and general compliance requirements for NBFCs that fall outside standalone specialized frameworks. They mandate periodic regulatory filings, corporate governance standards, and standard operating procedures to close potential regulatory gaps. Ultimately, this framework enforces consistent operational discipline and robust supervisory oversight across diverse NBFC categories.



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- Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025: This Direction were issued on November 28, 2026 which sets out a structured mechanism for the early identification, monitoring, and time-bound resolution of non-performing and stressed loan accounts. It standardizes rules for debt restructuring, Inter-Creditor Agreements (ICAs), and the implementation of formal Resolution Plans. The overarching goal is to preserve asset value, prevent systemic default spillovers, and accelerate the recovery of bad debts.
- Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025: These Directions were issued on November 28, 2026 stating the prudential norms governing revenue recognition, loan asset bucket classification, and mandatory loss provisioning across NBFC portfolios. They establish strict criteria for classifying accounts into standard, sub-standard, doubtful, and loss categories while requiring proportionate financial buffers. By enforcing these rules, the RBI ensures transparent balance sheet reporting and guards against the overstatement of financial performance.
- Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025: These directions were issued on November 28, 2026 which establish a regulatory framework to address liquidity risk, structural funding mismatches, and interest rate risks across balance sheet horizons. They mandate that NBFCs maintain sufficient liquid assets, conduct regular structural liquidity bucket analyses, and perform rigorous cash-flow stress testing. This proactive management helps prevent short-term liquidity crunches and enhances overall balance sheet stability.
- Reserve Bank of India (Non-Banking Financial Companies – Concentration Risk Management) Directions, 2025: These Directions were issued on November 28, 2026. It defines strict prudential exposure limits on lending, credit extensions, and investments to single counterparties and interconnected groups. By capping maximum exposure to specific entities and vulnerable economic sectors, it prevents over-reliance on individual corporate borrowers. The primary objective is to insulate NBFCs from severe financial shocks caused by high-value default events.
- Reserve Bank of India (Non-Banking Financial Companies – Undertaking of Financial Services) Directions, 2025: These directions were issued on November 28, 2026 outlining the boundaries for permissible fee-based ancillary services, non-core activities, and corporate expansions such as setting up joint ventures or subsidiaries. They lay down operational guidelines for distributing insurance, mutual funds, and advisory services without compromising primary business focus. This ensures entities operate strictly within authorized regulatory parameters while mitigating potential conflicts of interest.
- Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025: These directions were issued on November 28, 2026 guiding on capital adequacy standards and risk-weight frameworks to enhance financial resilience and balance sheet flexibility across NBFCs. They introduce provisions allowing audited or limited-reviewed quarterly profits into Owned Fund calculations while establishing clear distinctions for Tier-1 capital computation between CRAR and concentration limit purposes. Overall, this framework fortifies core loss-absorption capacity while optimizing growth capital for compliant institutions.
- Sanctions screening as per UN Sanction List and PEP: We operate a sanctions screening program covering domestic and international sanctions lists, including UAPA and other applicable watchlists, as part of our AML controls.



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7. OPPORTUNITIES AND THREATS

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

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

OPPORTUNITIES

❖ Serving the underserved retail market:

Akara's core strength lies in reaching underserved and financially excluded segments by banks or larger NBFCs. With an extensive digital presence and robust underwriting capabilities, the Company is well-placed to cater to the evolving credit needs of a consumer.

❖ Strong brand pedigree and proven track record:

The Company continues to enjoy the trust of marquee investors, regulators, and ecosystem stakeholders due to its consistent performance, governance standards, and resilience through credit cycles. Akara's strong brand equity helps attract quality partnerships across borrowers and capital providers.

❖ Enhance/use of Digitisation and Onboarding the customers through Technology Platform:

With significant investments in technology and analytics, leveraging advanced technological capabilities, including data analytics, AI, and digital lending platforms, to optimize customer acquisition and credit risk assessment.

❖ Targeting large while space in Retail Financing of catering to Tier – 1 and Tier – 2 Cities:

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

❖ Customer Centric Model:

A deep-rooted understanding of client needs founded on trust and sustained relationships.

❖ Strong Asset Quality and AUM Growth:

An asset book that is rigorously managed, demonstrating consistent growth in AUM and strategic risk management practices

❖ Expanding Product Portfolio:

Introducing innovative financial products like secured loans, and dynamic working capital solutions will substantially enrich revenue streams and enhance market presence.

❖ Established Brand Trust:



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Strong recall among salaried and self- employed customers supports customer acquisition and retention.

THREATS

❖ Regulatory Changes:

Any potential tightening of NBFC regulations by the Regulator could significantly impact operational dynamics and increase compliance-related expenditures.

❖ Interest Rate Volatility:

A change in interest rates may result in change borrowing costs, thereby affecting lending profitability and the overall cost structure.

❖ Competition from Banks & FinTechs:

Growing competition from traditional banking institutions, digital lenders, and fintech players could potentially undermine market share and pressure margins due to LSP models

❖ Credit Risk & NPA Management:

Effectively managing credit risk and addressing the challenges of non-performing assets remain a key factor for sustainability and stability in a turbulent economic climate.

❖ Impact on demand amid sustained inflation:

Prolonged inflationary trends may reduce disposable income, particularly in rural and low-income segments, thereby dampening credit demand. This could also affect repayment capacity and result in higher delinquencies with vulnerable borrower profiles.

8. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

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

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

9. BUSINESS OUTLOOK

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



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

To achieve this growth and maintain healthy returns, Akara Capital seeks to strengthen its distribution network in existing states and explore potential opportunities in new geographies. It plans to maintain an ideal debt resource mix and ensure continuous flow of funds while optimizing the use of capital. The Company also prioritizes operational excellence and is committed to learning and improving efficiency in all areas of operation.

10. RISKS AND CONCERNS

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

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

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

Guided by principles of ethical governance and sustainability, Akara's risk management philosophy is firmly embedded in its business model. Through continuous enhancement of risk controls and governance structures, the Company is positioned to thrive amid challenges, ensuring long-term financial stability and resilience.

A. Risk Management Framework:

- Risk Identification: Conducting in-depth analyses to identify the root cause of potential risks and assess their possible ramifications, thereby facilitating the development of precise and robust mitigation strategies.
- Risk Assessment: Undertaking a thorough evaluation of risks across various contingencies, ensuring a comprehensive understanding of their scope and potential consequences.
- Risk Response: Deploying tailored strategies to either mitigate, accept, transfer, or entirely eliminate risks based on their assessed severity and probability of occurrence.
- Ongoing Monitoring: Continuously tracking the risk landscape to identify emerging threats and ensure the prompt application of corrective measures.



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- Process Evaluation & Improvement: Engaging in continuous review and refinement of risk management methodologies to increase their effectiveness and responsiveness to dynamic conditions.

B. Key Risks and Mitigation:

Risk Type and Definitions	Mitigation
Credit Risk The Company is inherently subject to credit risk, which arises when borrowers or counterparties fail to fulfil their contractual obligations. This form of risk is an intrinsic component of the Company's lending operations.	With an esteemed legacy spanning over four decades, Akara has developed a robust framework for managing credit risk, underpinned by meticulously crafted policies and rigorous procedures. The Company follows a stringent credit assessment protocol across all operational sectors, systematically scrutinising borrowers' financial health, liquidity profiles, and credit bureau insights. In its investment strategy, Akara utilises credit ratings from esteemed agencies, ensuring that its decisions are informed, strategic, and continually monitored. To prevent risk concentration, the Company adopts a diversified approach, spreading its investments across various asset classes, industries, geographic regions, and borrower profiles, maintaining a well-balanced and resilient credit portfolio
Market Risk Market risk refers to the potential for financial loss arising from adverse movements in market conditions. These fluctuations include variables like interest rates, credit spreads, foreign exchange rates, commodity prices, and other critical factors, each of which can influence both profitability and capital.	The Company effectively mitigates market risk through a well-structured set of policies and procedures, which undergo regular reviews to ensure strict adherence to industry norms and regulatory frameworks. The Asset Liability Management Committee ('ALCO') diligently tracks market trends, policy modifications, and regulatory shifts within the NBFC sector, empowering the Company to proactively refine its strategic response. By maintaining a forward-thinking stance, the Company consistently monitors market risks and strengthens its loan portfolio with a comprehensive Market Risk Management System. Furthermore, the Company conducts rigorous stress testing across multiple asset categories to assess the potential impacts of market fluctuations and ensure robust preparedness for unexpected disturbances.
Operational Risk Operational risk pertains to the chance of financial losses due to flaws or failures in internal operations, human resources, technological infrastructure, or organisational configurations. It can also arise from deficiencies in both regulatory and internal compliance frameworks, as well as from unpredictable external factors.	The operational risk management framework at the Company is meticulously crafted to offer a methodical approach to identifying, assessing, managing, and mitigating risks across various departments. Key elements of the framework include exemplary corporate governance, a commitment to ethical standards, and a company wide risk management strategy. The Company further empowers its workforce by offering specialised skill enhancement programmes and training sessions. Clearly defined operational procedures govern transactions, portfolio assessments, and regulatory compliance, providing solid oversight at every level. Frequent risk centric audits mitigate enterprise risks, while the periodic stress testing of the Disaster Recovery ('DR') and Business Continuity Plans ('BCP') evaluates the Company's preparedness against unforeseen disruptions. Moreover, comprehensive contingency protocols are in place to protect data security and ensure quick recovery from force majeure events.
Interest Rate Risk	The Company has instituted a comprehensive set of policies and procedures to ensure strict compliance with regulatory mandates governing asset and liability management. The Company conducts an



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The potential for financial loss stemming from adverse shifts in interest rates, impacting both lending and treasury operations. This risk is a fundamental determinant of a company's net interest income and overall financial profitability, significantly influencing its fiscal stability	in-depth evaluation of rate-sensitive assets and liabilities, meticulously assessing the alignment between the maturity profiles of its loan book and fluctuations in interest rates. In determining interest, assets and liabilities are categorised into distinct timeframes based on their contractual maturities or anticipated re-pricing schedules. The discrepancy between the maturities of assets and liabilities, or its re-pricing potential at any given juncture, signifies the Company's exposure to potential margin variations on newly originated or re-priced assets and liabilities.
Liquidity Risk This risk arises when the Company faces obstacles in meeting its financial commitments within the stipulated deadlines or as per the agreed schedules.	The Company adeptly addresses liquidity risk through a meticulously structured framework of policies and procedures, rigorously endorsed by the Asset Liability Management Committee ('ALCO'). The Company has instituted robust controls and mechanisms aligned with its Asset Liability Management ('ALM') policies, ensuring the effective management of liquidity. To evaluate liquidity risk at distinct maturity intervals, the Company employs analytical techniques such as maturity ladder analysis and cumulative surplus/deficit calculations. In addition, a comprehensive Contingency Funding Plan is in place to manage liquidity strains during exigent circumstances. By vigilantly monitoring capital adequacy and asset exposures, Akara systematically assesses its potential funding requirements. The Company maintains a diversified and resilient funding base, drawing capital from an array of sources including banks, financial institutions, capital markets, and public fixed deposits, thereby ensuring ample financial flexibility. Furthermore, periodic training sessions focused on cash flow and asset-liability management are conducted to fortify long term financial robustness.
Cash Management Risk The risk associated with cash management in loan repayment collections reflects the possible obstacles and unpredictabilities faced by a financial entity in securing prompt and full payments from its borrowers.	With a firm commitment to technological progress, the Company continues to enhance its customer onboarding process through its digital platform. The Company has created a reliable cash management framework, engaging customers through easy-to use digital payment systems via the Mobile / Web-based Application. To further improve convenience, payment option has been incorporated to streamline loan repayments. Furthermore, the Company obtains NACH mandates from chosen customers, ensuring that stringent checks and controls are consistently applied.
Climate Risk The rise of climate change as a pervasive global challenge is reshaping numerous aspects of human life. The financial sector, notably Non-Banking Financial Companies (NBFCs), is not immune to its expanding consequences. With the	In its proactive approach to managing climate-related risks, the Company has implemented a robust ESG framework that underscores its commitment to environmental sustainability. The Company's dedication to sustainability is manifest in rigorous governance and effective oversight at the highest strategic levels. Significant achievements include significant reductions in energy usage, lower emissions, and the successful implementation of tree-planting initiatives.



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growing visibility and disruption caused by climate related events, there is a heightened resolve to embed sustainability into the very fabric of business operations.	Looking forward, the Company intends to leverage technological innovations and refine operational strategies to achieve further reductions in energy consumption. With a focus on mitigating climate-related risks, the Company remains dedicated to contributing to a sustainable and ecologically responsible future.
Information Technology Risk This risk arises from systemic failures in IT infrastructure or breaches in data security, which can trigger operational disruptions and incur severe financial repercussions.	Akara has made substantial investments in state-of-the-art technological infrastructure and advanced platforms to enhance its business information systems. In order to mitigate risks associated with information technology, the Company has implemented a robust IT risk management framework, incorporating rigorous checks, controls, and preventative safeguards. Regular security drills and comprehensive employee training programs are conducted to reinforce the integrity of the IT infrastructure and shield network systems from both internal and external threats. To ensure heightened resilience, the Company maintains a 24/7 Security Operations Centre (SoC) that rigorously conducts disaster recovery simulations and exhaustive security testing before the deployment of any applications, thereby strengthening its Recovery Point Objective (RPO) and Recovery Time Objective (RTO). Furthermore, the Company undertakes frequent vulnerability assessments and penetration testing, tapping into both internal expertise and external consultancy. In the event of operational disruptions, the Company is equipped with meticulously crafted contingency plans to guarantee the uninterrupted continuation of critical business functions, safeguarding customer interests at all times.
Cyber Security Risk With the mounting reliance on digital ecosystems and internet-based functionalities, the peril of cyberattacks and hacking has substantially increased	The Company has established an advanced and comprehensive cybersecurity framework, meticulously designed to proactively address and neutralize a broad spectrum of cyber threats. A round-the-clock Security Operations Centre (SoC) stands at the forefront of safeguarding the Company's most critical assets, supported by substantial investments in state-of-the-art security technologies. To enhance its cyber resilience, the Company relies on a team of expert professionals specializing in the detection and mitigation of sophisticated threats. To ensure the utmost security of its operations, the Company has implemented a structured information security framework, aligning its policies and protocols with global industry standards. The Company continually invests in employee training and awareness initiatives, equipping its workforce with the necessary tools and knowledge to combat cyber threats such as phishing, ransomware, malware, and spoofing. In recognition of its commitment to information security, the Company has achieved ISO / IES 27001:2022 certification for its Information Security Management System, extending its robust security practices to encompass all IT functions. An advanced Email Threat Prevention (ETP) system serves as a critical line of defense, preventing malicious emails from reaching employees and ensuring seamless operations.



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	To further strengthen its cybersecurity posture, the Company conducts frequent penetration testing, proactively seeking and addressing potential vulnerabilities in its IT infrastructure and network. The implementation of stringent fraud prevention mechanisms also ensures the secure validation of risk-based transactions, reinforcing the Company's commitment to comprehensive cybersecurity resilience.
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C. Risk Management Process:

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

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

11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of internal controls to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition of assets and that the transactions are recorded and reported. Also, adequate internal financial controls system over financial reporting. The Company has an internal auditor to conduct internal audit and has also appointed a third party for more vigorous checks

The Company has established a rigorous organizational framework, supported by well-documented policies and an unequivocal authority matrix, aimed at enhancing operational efficiency, ensuring compliance with both internal policies and regulatory standards, and safeguarding its assets. The Company appreciates that an effective internal control system is indispensable for the seamless execution of day-to-day operations.

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

The Company's Audit Committee systematically reviews internal audit reports, ensuring robust financial controls over reporting processes. Internal audits assess the adequacy of the control systems and compliance with organizational policies. Audit areas are determined based on extensive risk assessments, impact analysis, and a comprehensive evaluation of the internal control environment. Regular monitoring and testing ensure that internal controls remain resilient and uphold superior governance standards.

12. KEY INITIATIVES OF THE COMPANY

The Company has outlined a strategic roadmap for the next 3 to 5 years, centered on driving sustainable growth and achieving operational excellence.



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The key initiatives include:

- Periodic Review of Business Strategies: Conducting regular evaluations to ensure alignment with market dynamics while maintaining efficient liquidity management.
- Optimizing Operations: Streamlining workflows and broadening scope of operations to better serve customer needs.
- Leveraging the Partnerships: Harnessing the power of the Company unified digital platform to integrate the entire ecosystem, delivering seamless experiences to customers.
- Enhancing Loan Disbursement and Collections: Utilizing advanced data analytics to strengthen loan processing, improve collection efficiencies, and ensure timely decision-making.
- Strengthening Market Leadership: Driving continuous innovation and pursuing strategic advancements to reinforce the Company's position as an industry leader.
- Improving Loan Portfolio Quality: Implementing comprehensive risk assessment and mitigation strategies to enhance asset quality and ensure long-term stability.
- Deepening Customer Relationships: Fostering customer loyalty and satisfaction through personalized engagement and relationship-building initiatives.
- Launching Tailored Financial Solutions: Introducing customized products that address evolving customer needs, expanding the product suite, and enhancing market competitiveness.

13. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Net Revenue from the operations of your Company is INR 94,679.14 Lakhs. The Net Profit for the year under review has been INR 8,337.25 Lakhs as against Net Profit of INR 8,484.40 Lakhs during the previous year. The company has a target to moderately grow the business portfolio with key focus maintaining optimum credit portfolio.

The total assets size of the Company INR 3,13,423.24 Lakhs for the year ended on March 31, 2026 as compared to INR 1,83,205.51 Lakhs in the last financial year ended on March 31, 2025.

Financial and Operational Performance

1. Overall disbursement at INR 4900.00+ crores as on FY 2026.
2. AUM of the company increased by 69.80% at INR 1146.23+crores as on FY 2026.
3. Raised funds to the tune of On Balance Sheet Debt of INR 2019.89 crores from various Financial Institutions/Banks keeping liquidity and ALM in perspective.
4. PAT stood at INR 83.37 crore in FY 2026 decreasing from INR 84.40 crore in FY 2025 on YOY basis.
5. Capital Adequacy stood at 21.69% with Debt to Equity standing at 3.11x.
6. With regards to RBI circular dated Sept 02, 2022 on Digital Lending Guidelines, company is in full compliance with circular.



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7. The Company's has maintained ICRA BBB (Stable) rating during FY 2025. Akara continues to be rated in investment category with rating of ICRA BBB with stable outlook.
8. Company raised funds through listed NCDs to tune of INR 987.96 crores.

14. DEBT AND CAPITAL MARKET (DCM)

The Company has an independent, full-fledged Debt and Capital Market ('DCM') department that effectively manages borrowings, liquidity, and treasury investments along with their risks and reporting requirements as laid down by the Asset Liability Management Committee ('ALCO'), Board of Directors and/or Reserve bank of India ('RBI'). The primary role of the DCM is to borrow funds at competitive rates to meet business needs and maintain adequate liquidity to weather any unanticipated occurrences while prudently managing the ALM and associated risks. Investment activities are undertaken to maintain Liquidity Coverage Ratio (LCR) and invest surplus funds in various liquid instruments.

The company continuously seeks to diversify its funding sources by tapping different markets/institutions to finance its business requirements. In addition to the banking lines, the company also borrows via refinance, external commercial borrowing, and commercial papers & nonconvertible debentures in the debt market.

The Company continued to follow prudent liquidity management practices, maintaining an adequate liquidity buffer throughout the Financial Year 2025–26. This ensured timely availability of funds for onward lending, smooth servicing of liabilities and reinforced the trust and confidence of customers, lenders, creditors, and security holders. During the year under review, the Company successfully mobilised funds from both domestic and international markets in a seamless manner, further strengthening its financial flexibility.

Mobilisation of funds during the year under review from following sources/instruments was as under:

Sl. No.	Name of Instruments	FY 2025-26 (INR in Crores)	FY 2024-25 (INR in Crores)
1	Term loan from Banks	65.00	69.04
2	Term Loans from Financial Institutions/Corporates	166.94	202.5
3	Non-Convertible Debentures	987.96	336.00
4	External Commercial Borrowings (Loans)	44.05	154.14
5	Securitisation – Pass Through Certificate	285.96	50.28
6	Commercial Papers	422.5	30.06
7	Working Capital Development Loan	47.48	0.00

I. Term loan from Banks

During the FY 2025-26 the Company raised INR 65.00 Crores from banks in the form of term loan facilities.

The term loan book stood at INR 31.17 Crores as on March 31, 2026, against INR 47.14 Crores as on March 31, 2025. The banks lines are rated 'ACUITE BBB+' as on July 06, 2026. This indicates high degree of safety with regard to timely servicing of financial obligations.

II. Term Loan from Financial Institution

During the FY 2025-26 the Company raised INR 166.94 Crores from financial institutions in the form of term loan facilities.

The term loan book stood at INR 150.21 Crores as on March 31, 2026, against INR 110.32 Crores as on March 31, 2025.



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III. External Commercial Borrowings

During the FY 2025-26, the Company raised INR 44.05 Crores of foreign currency denominated External Commercial Borrowings (ECB) under the automatic route of the RBI. The Company is expanding its ECB borrowing by deepening the investor base of the Company. This also helps in diversifying the borrowing-mix. The ECBs are hedged using a Cross-Currency Swap (variable/fixed rate structure linked with applicable benchmark).

The ECBs are fully hedged (interest + principal) for forex risks against the regulatory requirement of minimum 70% of the exposure as set out by RBI. The ECB book stood at INR 586.91 Crores as on March 31, 2026 against INR 528.93 Crores as on March 31, 2025.

IV. Non-Convertible Debentures ('NCDs')

During the FY 2025-26, the Company raised INR 987.96 Crores from the Non-convertible debentures.

The Non-convertible debenture book (Secured NCDs). The book stood at INR 1068.82 Crores as on March 31, 2026 against INR 332.58 Crores as on March 31, 2025. Non-Convertible Debentures are rated 'ACUITE BBB+' as on July 06, 2026.

V. Commercial Paper

During the FY 2025-26 the Company raised INR 422.5 Crores from Commercial Papers. The Commercial Paper book stood at INR 200.50 Crores as on March 31, 2026 against INR 5.25 Crores as on March 31, 2025.

VI. Securitisation – Pass Through Certificate

During the Financial Year 2025–26, the Company securitised assets amounting to INR 285.96 crores through the issuance of Pass-Through Certificates (PTCs), representing 10.23% of the total Assets Under Management (AUM) as on March 31, 2026. The securitisation transactions enabled the Company to diversify its funding sources, optimise its borrowing profile, and reduce its overall cost of borrowings, particularly in relation to its lending exposure to the priority sector.

VII. Working Capital Development Loan

During the Financial Year 2025–26, the Company availed a Working Capital Development Loan for the first time to support its growing business operations and meet its short-term funding requirements. The facility has strengthened the Company's liquidity position, enhanced its working capital management, and provided greater financial flexibility to support the timely disbursement of loans. As on March 31, 2026, the outstanding Working Capital Development Loan stood at INR 47.48 crores.

15. CAPITAL ADEQUACY



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The Company continues to fulfil all the norms and standards laid down by the RBI pertaining to Non-Performing Assets, Capital Adequacy, Statutory Liquidity, Assets etc. As against the RBI norm of 15%, your Company has been able to maintain a Capital to Risk (Weighted) Asset Ratio ('CRAR') of 21.69% as on March 31, 2025, which is well above the RBI mandated norm of 15%.

16. ASSET LIABILITY MANAGEMENT

The Asset Liability Management Committee ("ALCO") oversees the Company's Asset Liability Management framework on a regular basis. The Company follows a prudent and conservative Liquidity Risk Management ("LRM") Policy to ensure adequate liquidity and effective management of liquidity risks. During the year under review, the Company maintained positive cumulative mismatches across all time buckets up to five years, with cumulative asset inflows exceeding cumulative liabilities outflows.

17. INFORMATION TECHNOLOGY

To drive growth, enhance customer experience and improve operational efficiency, Akara worked on a 360-degree digital strategy across acquisition, enabled customer servicing and collection and engagement with its partner(s).

Your Company adopted ISO 27001:2022 standards, practices its processes and upgrade its implementation on regular basis to maintain the information security as per the market trend.

Your company has established disaster recovery centers and have in place various security controls to mitigate risks, safeguard the Company against security breaches and technological lapses located in different zones, periodic upgrading of servers and data storage, adopting new technology for data management.

On regular basis different types of system audits are conducted by the external and internal auditors. Board constituted IT Strategy and Steering Committee governs the security policies and its implementation as per the Company's Corporate Governance process. To improve cyber security system, the Company continuously invests towards upgrading the technology, IT security related implementation, training and awareness programme. Your Company follows Zero-Trust Security model to strengthen the security of all users' devices without sacrificing performance.

During the year, new initiatives were taken in areas of Digital Platforms, API Security, Email Security and Attack Surface Management. Your Company has also adopted a continuous Vulnerability Assessment and Penetration Testing ('VAPT') to protect all our digital assets.

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

As of March 31, 2026, the Company's permanent workforce stood at 151 employees.

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

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

The Company's HR policy is designed to align individual aspirations with organizational goals, ensuring a strong and sustainable talent-business fit. Our focus is on placing the right talent, with the right expertise, at the right time and place, supported by competitive compensation.



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AKARA CAPITAL ADVISORS PRIVATE LIMITED

We foster a culture of leadership, accountability, and collaboration. Our people are professionals who demonstrate entrepreneurial drive, integrity, and a results-oriented mindset. They take ownership of their roles while contributing to the collective success of the Company.

Employees are entrusted by providing stimulating assignments that broaden experience and nurture talent and can count further on opportunities for individual and professional development. The Company's reward structure supports these values: Customer Obsession, Integrity, Respect for Rules, Innovation and Efficient Execution.

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

Key Initiatives taken during the Year:

- I. Transparent goal-setting process: Functional heads developed their Annual Operating Plans (AOPs) and manage departmental budgets based on these plans. These AOPs were then cascaded into individual goals with clearly defined KPIs, ensuring complete transparency in performance assessment and evaluation. The HR function played a critical role by ensuring that each new joiner was fully aware of the expectations from them, aligned with their manager from the moment of onboarding, thereby reducing the risk of disengagement and ambiguity in job roles.
- II. Communication Forums – Townhalls and Insight Series: Regular Townhalls and the Leadership-led Insight Series were institutionalised to strengthen employee engagement and alignment with the organisation's strategic priorities. These forums facilitated transparent communication, knowledge sharing and two-way dialogue on business priorities, industry developments and functional updates..
- III. MD Orientation for New Joiners: A structured CEO-led orientation was introduced for new joiners, providing an early understanding of the organisation's vision, values, culture and expectations, while fostering a strong sense of belonging and connection with leadership.
- IV. Psychometric Assessments for Middle and Senior Leadership: Psychometric assessments were incorporated into the onboarding process for Middle and Senior Leadership hires to enhance self-awareness, understand individual strengths and working styles, and support effective role integration and team alignment.
- V. KPI-Based Performance Frameworks: KPI-based performance frameworks were introduced for key roles to establish greater clarity, objectivity and accountability. Measurable indicators aligned with organisational priorities enabled transparent expectations and consistent assessment of performance.
- VI. Structured Appraisal Feedback: The appraisal process was strengthened by formally documenting and communicating each employee's Areas of Expertise and Areas of Improvement, providing clear recognition of strengths and focused development priorities, while reinforcing a culture of continuous learning and professional growth.

19. CAUTIONARY STATEMENT



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

For and on behalf of the Board of Directors

Akara Capital Advisors Private Limited

Sd/-

Tushar Aggarwal
(Managing Director)

DIN: 01587360

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

Date: 29.07.2026

Place: Gurugram, Haryana

ANNEXURE III



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AKARA CAPITAL ADVISORS PRIVATE LIMITED

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES FOR FINANCIAL YEAR 2025-26

1. Brief Outline on CSR Policy of the Company: Akara Capital Advisors Private Limited as a responsible Corporate entity commit to undertake appropriate CSR measures having positive economic, Social, Environmental Impact to transform lives and to help build more capable and vibrant communities by integrating business values and strengths.

2. Composition of CSR Committee:

S.no	Name	Chairman/Member	No. of meeting held during the year	No. of CSR Committee attended during the year
1.	Mr. Tushar Aggarwal	Chairman and Managing Director	1	0
2.	Ms. Shruti Aggarwal	Member	1	1
3.	Mr. Radhakrishnan Ramachandra Iyer	Member	1	1
4.	Mr. Satish Chandra Sinha	Special Invitee	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.
<https://www.akaracap.com/investor-relations>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - Not Applicable

S.no	Financial Year	Amount available for set -off from Preceding Financial Year	Amount available for set -off for the Financial Year, If any,

6. Average net profit of the company as per section 135(5): INR 1,21,06,71,599.17/-.

7	(a) Two percent of average net profit of the company as per section 135(5):	INR 2,42,13,432/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL



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(c) Amount required to be set off for the financial year, if any.	NIL
(d) Total CSR obligation for the financial year (7a + 7b + 7c)	INR 2,42,13,432/-

8. a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
INR 2,42,13,432/-	NIL	NIL	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. n o.	Nam e of the Proj ects	Item from the list of activi ties in Sched ule Vii of the Act	Loca l Are a (yes/ no)	Location of the Projects		Proje ct Dura tion	Amo unt Alloc ated for the Proje cts)	Amo unt spen t i n curr ent FY (in	Total Amoun t transfe rred to Unspe nt CS R Accou nt fo r the project s as per section 135(6)	Mode of Implemen tation Direct (yes/no)	Mode of Implement ation- Through Implement ation Agency	
				Sta te	Dist rict						Na me	CSR Reg .No.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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S. no.	Name of the Projects	Item from the list of activities in Schedule Vii of the Act	Local Area (yes/no)	Location of the Projects		Amount spent for the project	Mode of Implementation Direct (yes/no)	Mode of Implementation Through Implementation Agency	
				State	District			State	District
1	Sansthanam Abhay Daanam	Environment and Human beings	Yes	Delhi	NCR	INR 69,00,828/-	No	Sansthanam Abhay Daanam,	Delhi NCR.
2	Sansthanam Abhay Daanam	Research centers and Hospitals	Yes	Delhi	NCR	INR 69,00,828/-	No	Sansthanam Abhay Daanam,	Delhi NCR.
3	Badlo Re	Welfare of old age people, children welfare, women empowerment	Yes	Delhi	NCR	INR 55,53,358/-	No	Badlo Re,	Delhi
4	Gyan Daanam Gurukul	Education	Yes	Delhi	NCR	INR 43,58,418/-	No	Gyan Daanam Gurukul,	Delhi
5	The Pinnacle School (BABS Norohna Memorial Educational and Social Welfare Society)	Education	Yes	Delhi	NCR	INR 5,00,000/-	No	The Pinnacle School,	Delhi

(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	Nil
(f) Total amount spent for Financial Year (8b+8c+8d+8e)	INR 2,42,13,432/-

(g) Excess amount for set off, if any



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S. no	Particular	Amount
i.	Two percent of average net profit of the company as per section 135(5)	INR 2,42,13,432/-
ii	Total amount spent for the Financial Year	INR 2,42,13,432/-
iii	Excess amount spent for the financial year ((ii)-(i)]	NIL
iv	Surplus arising out of the CSR projects or programmes or activities of the previous Nil financial years, if any	NIL
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9 (a) Details of Unspent CSR amount for the preceding three financial years:

S.no.	Preceding Financial Year	Total Amount transferred to Unspent CSR Account for the projects as per section 135	Balance Amount in Unspent CSR Account under subsection (6) of section 135	Amount spent in Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding Financial year	Deficiency, if any
					Amount	Date of Transfer		
Not Applicable								

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. no.	Project Id	Name of the Projects	FY in which the project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project (completed / Undergoing)
Not Applicable								



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10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details)

(a) Date of creation or acquisition of the capital asset(s).	NA
(b) Amount of CSR spent for creation or acquisition of capital asset.	NA
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NA
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

12. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, follows CSR objectives and Policy of the Company

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

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

Sd/-
Tushar Aggarwal
(Managing Director)
DIN: 01587360
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi - 110054

Sd/-
Shruti Aggarwal
(Director)
DIN: 06867269
Add: 6A/2, Raj Narain Road,
Civil Lines, New Delhi –
110054

Date: 29th July 2026
Place: Gurgaon



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INDEPENDENT AUDITOR'S REPORT

To the Members of **M/s Akara Capital Advisors Private Limited**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of "**M/s Akara Capital Advisors Private Limited**" ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the Financial Statements, including significant accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report and describe the process how our audit addressed the matter.

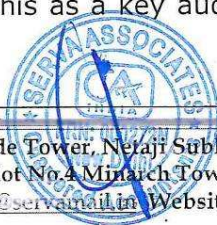
We have fulfilled the responsibility described in the Auditors' responsibility for the audit of the Financial Statements section of our report including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



Key Audit Matter	How the matter was addressed in our audit
1. Impairment of financial assets (Expected Credit Losses) (Refer Note 6, Note 6.2 and Note 38 to the Financial Statements read with significant accounting policy No. 1(4)(xii) - 'Financial Instruments' and No. 1(4)(xiii) - 'Impairment of Financial Assets') Financing is the principal business of the Company. Loan assets are carried at amortised cost, net of the impairment loss allowance measured under the expected credit loss model and are the most significant asset in the Balance Sheet. The Company carries an impairment loss allowance of Rs. 15,555.73 lakhs as at 31 March 2026 (on loans Rs. 14,455.29 lakhs and on accrued interest Rs. 1,100.44 lakhs) and has recognised a charge of Rs. 4,975.78 lakhs towards the impairment allowance on loans, within a total impairment on financial instruments of Rs. 33,190.07 lakhs, in the Statement of Profit and Loss for the year ended 31 March 2026. Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss (ECL) model. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Exposures at Default ("EAD"), Probabilities of Default ("PD") and Loss Given Default ("LGD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered one of the most significant judgmental aspects of the Company's modelling approach. The underlying forecasts and assumptions used in	We have obtained an understanding of the guidelines as specified in Ind AS 109 "Financial Instruments", various regulatory updates, guidance of ICAI and internal instructions and procedures of the Company in respect of the ECL and adopted the following audit procedures: Our key audit procedures included: - Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring and impairment assessment including review of the arithmetical accuracy of ECL calculations performed by the company on spreadsheets based on historical portfolio data trends. - Performed ECL recalculation based on loan portfolio data provided by the company and reconciled the results with ECL recognised in the financial statements. - Stress on the loan assets is ascertained based on recovery performance, and impairment allowance impact is assessed accordingly. - Assessed the disclosures made in relation to the ECL allowance to confirm compliance with the Ind AS provisions. We verified the calculation of impairment allowance under the ECL model on a test-check basis, including examination of the underlying data, key assumptions and material inputs used in the computation. We also reviewed the arithmetical accuracy of the calculations and reconciled the resulting impairment allowance with the amount recognised in the financial statements.

Key Audit Matter	How the matter was addressed in our audit
the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter.	We also compared ECL with the provisioning as required by the applicable directions of the Reserve Bank of India and ensured adequacy of impairment allowance accordingly.
2. Fair valuation of Derivative Financial Instruments (Refer Note 4 and Note 40 to the Financial Statements read with material accounting policy No. 1(4)(xii) – 'Financial Instruments' and No. 1(4)(xvi) – 'Derivative financial instruments'.) To mitigate the Company's exposure to foreign currency risk and interest rate, non-Rupee cash flows are monitored, and derivative contracts are entered for hedging purpose. The derivatives are measured at fair value as per Ind AS 109. Gain/Loss on these derivatives is recognised in other comprehensive income or profit and loss as provided by Ind AS. The magnitude of such transactions is significant as per the operations of the company. In view of facts of the matter we have identified it as a key audit matter.	Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for derivatives include the following: Discussing and understanding management's perception and studying policy of the company for risk management. Verification of fair value of derivative in terms of Ind AS 109, testing the accuracy and completeness of derivative transactions. Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. Obtained details of various financial derivatives contracts outstanding or pending settlement as at 31 March 2026. Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 109.
3. Effective interest rate and unamortised transaction costs on borrowings (Refer Note 13 and Note 14 to the Financial Statements read with material accounting policy No. 1(4)(xii) – 'Financial Instruments'.) During the year the Company's Debt Securities increased from Rs. 31,913.46 lakhs to Rs. 1,21,642.12 lakhs and the unamortised borrowing cost carried against them increased from Rs. 1,976.19 lakhs to Rs. 3,443.27 lakhs. Borrowings other than debt securities of Rs. 1,04,200.77 lakhs carry a further unamortised borrowing cost of Rs. 293.47 lakhs. Finance costs for the year amount to Rs. 29,336.71 lakhs.	Our key audit procedures included: Obtained the listing of debt securities and borrowings raised, repaid and outstanding during the year and agreed the movement to the general ledger and to the register of charges. Tested, on a sample basis, the terms of the underlying instruments to the debenture trust deeds, information memoranda, sanction letters and loan agreements. Evaluated management's determination of the costs treated as integral to the effective

Key Audit Matter	How the matter was addressed in our audit
Debt instruments are measured at amortised cost using the effective interest method. Determining the effective interest rate requires management to identify which arrangement, processing and other transaction costs are integral to the instrument and to estimate the expected life of each instrument, including expectations of prepayment. Given the volume of instruments raised during the year, the range of coupon rates and tenors and the sensitivity of the finance cost charge to these judgements, we have identified this as a key audit matter.	interest rate against the requirements of Ind AS 109 and tested the classification of a sample of transaction costs. Re-performed the effective interest rate computation and the amortisation of transaction costs for a sample of instruments and compared the result with the amount recognised in finance costs and with the unamortised balances carried in Notes 13 and 14. Assessed the reasonableness of the expected life assumptions applied and tested the sensitivity of the charge to changes in those assumptions. Evaluated the adequacy of the presentation and disclosure of borrowings and finance costs in the financial statements.
4. Recognition of fees and commission income (Refer Note 21 to the Financial Statements read with significant accounting policy No. 1(4)(xvii) – 'Revenue Recognition'.) The Company has recognised fees and commission income of Rs. 29,971.43 lakhs for the year ended 31 March 2026 (previous year Rs. 23,429.56 lakhs), being approximately 32 per cent of total revenue from operations. The income arises from a high volume of individually low-value transactions processed through the Company's digital lending platform and is dependent on the configuration of the underlying information systems. Recognition requires management to determine whether a fee is integral to the effective interest rate of the loan and therefore deferred over the expected life of the instrument, or whether it relates to a separate performance obligation recognised under Ind AS 115. During the year the Company commenced disbursement of loans through Direct Selling Agents and has recognised unamortised income of Rs. 391.52 lakhs and unamortised expense of Rs. 2,173.87 lakhs in respect of such loans, which increases the degree of judgement involved. Given the quantum, the transaction volumes and the extent of system dependence, we have identified this as a key audit matter.	Our key audit procedures included: Obtained an understanding of the revenue process from loan origination through to recognition, including the interfaces between the loan management system and the general ledger. Evaluated and tested the design and operating effectiveness of the key controls over the capture of fee income, including the automated computation and posting of fees and the controls over amendments to the fee configuration masters. Assessed management's determination of which fees are integral to the effective interest rate under Ind AS 109 and which fall within the scope of Ind AS 115 and evaluated the identification of the related performance obligations and the timing of their satisfaction. Tested a sample of transactions to the underlying loan agreements, key fact statements and customer records, and re-performed the computation of the fee recognised. Tested the deferral and amortisation of income and costs relating to loans sourced through Direct Selling Agents. Performed analytical procedures comparing



Key Audit Matter	How the matter was addressed in our audit
	fee income by product with disbursement volumes for the year and investigated variances from our expectations. Tested journal entries posted to fee income accounts, focusing on manual entries posted close to the year end. Evaluated the adequacy of the disclosures made in Note 21.

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.

Responsibilities of Management and Those Charged with Governance for the 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India. 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

The management is also responsible for effective implementation of the requirements prescribed by Rule 3(1) of the Companies (Accounts) Rules, 2014 i.e., every company which uses an accounting software for maintaining its books of account, should use only such accounting software which has the following features:

- Records an audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made; and
- Ensuring that audit trail is not disabled.
- Accounting software may be hosted and maintained in India or outside India whose backup should be accessible in India at all the times and such backup of accounts should be maintained on servers physically located in India.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess and comment on company's compliance with implementation of Audit trail under Rule 3(1) of the Companies (Accounts) Rules, 2014.
- Evaluate that the company maintains back-up of the books of account and other relevant books and papers in electronic mode that are accessible in India at all the times. Also, the Company creates a backup of accounts on servers physically located in India on a daily basis. This is as per the amended Rule 3 of the Companies (Accounts) Rules, 2014.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2026 and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal & Regulatory Requirements

1. Based on our audit, we report that the provisions of section 197 read with Schedule V of the Act are not applicable to the Company since the Company is a private company and is not a subsidiary of a public company and is therefore not deemed to be a public company under the proviso to section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraphs 3 and 4 of the Order.
3. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying Financial Statements;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 3(g)(vi) below on the use of accounting software with an audit trail (edit log) facility;

- c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (Including Other Comprehensive Income), the statement of changes in equity and the standalone statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India;
- e. On the basis of written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements; and
- g. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company as detailed in Note No 51 to the Standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2026.
- (ii) The company had not entered into any long-term contracts except derivative contracts for the purpose of hedging its foreign exchange exposure as on 31st March 2026 as disclosed under Note 4 and Note 40 to the Standalone Financial Statements.
- (iii) There were no amounts which are required to be transferred to Investor Education and Protection Fund by the company during the year ended 31st March 2026.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or



otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

(v) The Company has not declared or paid any dividend during the year ended 31st March 2026.

(vi) Based on our examination, the Company has used the accounting software "Tally Prime Edit Log" for maintaining its books of accounts, which includes the feature of audit trail (edit log). We have verified, on a test-check basis, the edit logs for certain transactions. However, in the absence of system and organization control reports from the software or the third-party cloud platform, our ability to assess the continuous operability of the audit trail feature throughout the financial year remains inherently limited. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

With regard to the requirements under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as applicable for reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the Company is in possession of an Alteration History Report. It is also understood that certain other database-level software systems deployed by the Company include audit trail features as per their respective configurations.

Additionally, the audit trail in respect of prior year has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in that year.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N



Nitin Jain
(Partner)



Membership Number: 506898

Date: 29th May 2026

UDIN: 26506898OVMFOV3635

Place: New Delhi



(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i)

(a) (A). The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company also possesses right-of-use assets and has maintained proper records showing full particulars and other relevant details of right-of-use assets.

(B). The Company has maintained proper records showing full particulars of intangible assets including intangible assets under development.

(b) The Company has a regular programme of verification of relevant details of Property, Plant and Equipment including right-of-use (ROU) assets. In accordance with these relevant details of Property, Plant and Equipment including right-of-use (ROU) assets were verified at regular intervals during the year and no material discrepancies were noticed on such verifications.

(c) Since the company is not in the possession of any immovable property, hence reporting under clause 3(i)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us the Company has not revalued any of its Property, Plant and Equipment including right-of-use (ROU) assets or Intangible assets including Intangible assets under development during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the order is not applicable.

(ii)

(a) As the Company does not hold any Inventory during the year, therefore reporting under clause 3 (ii)(a) of the order is not applicable.

(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 reporting under clause 3 (ii)(b) of the order is not applicable.

(iii)

(a) This Company is registered with the Reserve Bank of India (RBI) under section 45-IA as a Non-Banking Financial Company, and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a)(A) and 3(iii)(a)(B) of the Order are not applicable to the Company.



(b) Based on our examination and the information and explanations given to us, the terms and conditions of the grant of all loans are, prima facie, not prejudicial to the Company's interest. During the year the Company held investments in pass-through certificates of Rs. 2,077.44 lakhs (gross), which have been presented net of the related securitisation borrowings in Note 7, and has provided first loss default guarantees to co-lenders in respect of which the outstanding contingent exposure as at 31 March 2026 is Rs. 331.58 lakhs (Note 51). In our opinion, the terms and conditions of such investments and guarantees are not prejudicial to the Company's interest. The Company has not provided any security or granted any advances in the nature of loans other than in the ordinary course of its lending business.

(c) In respect of the loans (referred as "loan assets") the schedule of repayment of principal and payment of interest has been stipulated by the Company. Note 1(4)(xiii) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which includes loan assets.

In accordance with that policy the loan assets with balances as at March 31, 2026 aggregating Rs 12,202.68 lakhs were categorized as credit impaired ("Stage 3") and Rs 24,043.96 Lakhs were categorized as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Further, Rs 10,072.19 Lakhs were categorized as those where the credit risk has not significantly increased since initial recognition comprising of delinquencies between 1 to 30 days in the repayment of principal and payment of interest (which are included in "Stage 1" as per company policy).

In all other cases, the repayment of principal and interest is regular as at March 31, 2026. Having regard to the nature of company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) In respect of the loans, the total amount overdue for more than ninety days as at March 31, 2026, is Rs. 4,441.66 lakhs, representing the overdue instalments of principal and interest on loan assets with an aggregate outstanding balance of Rs. 12,202.68 lakhs classified as credit impaired ("Stage 3"). In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon.

(e) This Company is registered with the Reserve Bank of India (RBI) under section 45-IA as a non-banking financial company, and its principal business is to give loans. Accordingly, the reporting under clause 3(iii)(e) of the Order are not applicable to the Company.

(f) Based on our audit procedure and according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. In view of this, the other reporting requirements regarding loans to related parties as per this clause 3(iii)(f) are not applicable.

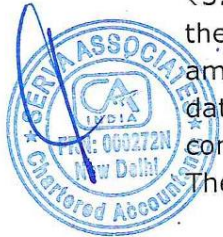
(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Act. The provisions of sub-sections (2) to (11) of section 186 of the Act are not applicable to the Company, it being a non-banking

financial company registered with the Reserve Bank of India and engaged in the business of financing.

- (v) In our Opinion and according to the information and explanation given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits under Sections 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3 (v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, in our opinion the maintenance of cost records has not been prescribed for the company by the Central Government of India under subsection (1) of section 148 of the Companies Act. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company.
- (vii)
- (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of examination of records, 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 and on the basis of examination of records the company has not defaulted in repayment of its loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been placed in deposits with banks.



- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have prima facie been used for long-term purposes by the company.
- (e) According to the information and explanation given to us, and on overall examination of the standalone financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligation of its Associate or Subsidiary or Joint Venture.
- (f) According to the information and explanation given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiary, associate or joint venture.
- (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 issued 32,63,128 equity shares of Rs. 10 each by way of a rights issue aggregating to Rs. 3,886.31 lakhs (share capital Rs. 326.31 lakhs and securities premium Rs. 3,559.99 lakhs). A rights issue is not a preferential allotment or a private placement within the meaning of clause 3(x)(b) of the Order. In respect of the non-convertible debentures issued during the year on a private placement basis, the Company has complied with the requirements of section 42 and section 62 of the Act and the funds raised have been applied for the purposes for which they were raised.
- (xi)
- (a) Based on the audit procedures performed and according to the information and explanations given to us, no fraud by the Company has been noticed or reported during the year. However, frauds on the Company involving certain loan accounts amounting to ₹3.00 lakhs (previous year: ₹7.65 lakhs) were identified during the year and reported to the Reserve Bank of India through the prescribed Fraud Monitoring Return. Recoveries amounting to ₹0.59 lakh (previous year: ₹4.02 lakhs) had been made up to the reporting date. The Company has recognised appropriate impairment allowance/provision, wherever considered necessary, and continues to undertake recovery and other remedial actions. The matter is also disclosed in Note 67 to the financial statements.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us including the representation made to us by the management, there are no whistle blower complaints received by the company during the year.



- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable Indian accounting standards, namely Ind AS 24, "Related party disclosures" specified in companies (Indian accounting standards) Rules 2015 as prescribed in section 133 of the act.
- (x)
- (a) In our opinion and based on our examination, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company during the year and till the date of our audit report.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them and accordingly reporting under clause 3 (xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xii)
- (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a non-deposit taking Non-Banking Financial Company – Investment and Credit Company classified in the Middle Layer under the regulatory framework of the Reserve Bank of India, and such registration has been obtained by the Company.
- (b) During the year, the Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. Further, Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- (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 3 (xvi)(c) of the order is not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.



- (xvii) The company has not incurred any cash losses in the current financial year as well as immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year and accordingly reporting under Clause 3 (xviii) of the order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)
- (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, there is nothing to report under clause 3(xx)(a) of the Order for the year.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub-section (5) of Section 135 of the Act pursuant to any ongoing projects.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of the standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause in the report.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N



Nitin Jain
(Partner)



Membership Number: 506898
Date: 29th May 2026
UDIN: 26506898OVMFOV3635
Place: New Delhi

Report on the Internal Financial Controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to standalone financial statements of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2026 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 with reference to standalone financial statements

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control 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 the 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.

The Company has documented its internal financial controls with reference to standalone financial statements in an internal financial controls framework and a Risk and Control Matrix, which identify, for each significant class of transactions, account balance and disclosure, the risks of material misstatement and the controls designed and implemented to address those risks. The responsibility for the completeness and continued relevance of that documentation, for the design and implementation of the controls identified in it, and for their effective operation throughout the year, rests with the Board of Directors and the management of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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.



Our procedures included obtaining an understanding of the Company's internal financial controls with reference to standalone financial statements as documented in its internal financial controls framework and Risk and Control Matrix; performing walkthroughs of each significant process to confirm that understanding and to evaluate the design of the controls identified; and testing the operating effectiveness of those controls for the year ended 31 March 2026. Tests of operating effectiveness were performed on items selected in accordance with SA 530, 'Audit Sampling', the extent of testing for each control having been determined by reference to the frequency with which the control operates and our assessment of the risk that a material weakness exists. Our conclusion on the operating effectiveness of these controls is based on the results of those tests, read together with the inherent limitations described below.

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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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.

The criteria against which the adequacy of these controls and their operating effectiveness have been evaluated are the criteria established by the Company in its internal financial controls framework and Risk and Control Matrix referred to above, which have been drawn up considering the essential components of internal control stated in the Guidance Note.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that such internal financial controls 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal control 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, as set out in the Company's internal financial controls framework and Risk and Control Matrix referred to above.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N



Nitin Jain
(Partner)



Membership Number: 506898
Date: 29th May 2026
UDIN: 26506898OVMFOV3635
Place: New Delhi



Akara Capital Advisors Private Limited
Balance Sheet as at March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial Assets			
Cash and cash equivalents	2	8,609.88	2,922.43
Bank balances other than cash and cash equivalents	3	16,108.49	8,315.35
Derivative Financial Instruments	4	4,113.01	397.12
Receivable	5		
-Trade Receivable			
-Other Receivables		1,078.69	
Loans		287.98	2,307.92
Investments	6	2,75,895.64	1,63,645.30
Other financial assets	7		
Total Financial Assets	8	1,451.77	2,112.05
		3,07,545.45	1,79,700.16
Non- financial assets			
Deferred tax assets (net)	9	2,412.20	2,384.97
Property, Plant and Equipments	10(a)	14.05	21.19
Intangible assets under development	10(b)	877.78	19.39
Intangible assets	10(c)	360.33	590.66
Other non- financial assets	11	2,213.42	489.15
Total Non-Financials Assets		5,877.79	3,505.35
TOTAL ASSETS		3,13,423.24	1,83,205.51
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	4		
Trade Payables	12		
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		150.59	393.62
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,112.25	2,151.53
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
Debt Securities	13	1,21,642.12	31,913.46
Borrowings (other than Debt Securities)	14	1,04,200.77	75,097.38
Other financial liabilities	15	1,203.43	1,192.97
		2,28,309.16	1,10,748.96
Non financial liabilities			
Current tax liabilities (net)	16	1,408.71	2,381.91
Provisions	17	1,216.85	815.97
Deferred tax liabilities (net)	9		
Other Non-financial liabilities			
		2,625.56	3,197.88
Equity			
Equity share capital	18	31,925.71	31,599.40
Other equity	19	50,562.81	37,659.27
TOTAL EQUITY		82,488.52	69,258.67
TOTAL LIABILITIES & EQUITY		3,13,423.24	1,83,205.51
Summary of significant accounting policies			
The accompanying notes are an integral part of the financial statements			

As per our report of even date
For Serva Associates
Chartered Accountants
CAI Firm Registration No: 000272N

Nitin Jain
Partner
Membership No. 506898
Place: New Delhi
Date: 29th May, 2026



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

Tushar Aggarwal
Tushar Aggarwal
(Managing Director)
DIN: 01587360
Place: New Delhi
Date: 29th May, 2026

Shruti Aggarwal
Shruti Aggarwal
(Director)
DIN: 06867269
Place: New Delhi
Date: 29th May, 2026

Sima Jeet Singh
Sima Jeet Singh
(Company Secretary)
Membership No: F11779
Place: New Delhi
Date: 29th May, 2026

Pankaj Kumar
Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 29th May, 2026



Akara Capital Advisors Private Limited
Statement of Profit and Loss for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	Notes	For the year March 31, 2026	For the year March 31, 2025
Revenue from operations			
Interest Income	20	61,180.53	47,518.34
Fees and commission Income	21	29,971.43	23,429.56
Net Gain on fair value changes	22	2,587.90	16.43
Total revenue from operations		93,739.85	70,964.32
Other Income	23	939.29	5.86
Total Income		94,679.14	70,970.19
Expenses			
Finance Costs	24	29,336.71	14,798.74
Net loss on fair value changes	22	-	-
Impairment on financial instruments	25	33,190.07	28,903.30
Employee Benefits Expense	26	4,733.44	4,146.20
Depreciation, amortization and impairment	27	261.33	338.21
Other expenses	28	15,184.99	11,050.13
Total Expenses		82,706.54	59,236.58
Profit before tax		11,972.60	11,733.61
Tax Expense:			
(1) Current Tax	29		
a) Pertaining to profit for the current period		3,649.45	3,024.89
b) Adjustment of tax relating to earlier periods		13.13	-
(2) Deferred Tax		(27.23)	224.31
Total of Tax Expense		3,635.34	3,249.20
Profit for the year		8,337.25	8,484.40
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit obligation		(28.61)	5.48
Income Tax Effect		7.20	(1.38)
Other Comprehensive Income , net of income tax		(21.41)	4.10
Total Comprehensive Income for the year		8,315.85	8,488.51
Earnings per equity share	30		
Basic (Rs.)		2.63	2.68
Diluted (Rs.)		2.63	2.68
Nominal value per share (Rs.)		10.00	10.00
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

Nitin Jain
 Partner
 Membership No. 506898
 Place: New Delhi
 Date: 29th May, 2026



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

Tushar Aggarwal
 Tushar Aggarwal
 (Managing Director)
 DIN: 01587360
 Place: New Delhi
 Date: 29th May, 2026

Shruti Aggarwal
 Shruti Aggarwal
 (Director)
 DIN: 06867269
 Place: New Delhi
 Date: 29th May, 2026

Simarjeet Singh
 Simarjeet Singh
 (Company Secretary)
 Membership No: F11779
 Place: New Delhi
 Date: 29th May, 2026

Rankaj Kumar
 Rankaj Kumar
 (Chief Financial Officer)
 Place: New Delhi
 Date: 29th May, 2026



Akara Capital Advisors Private Limited
Statement of Cash flow for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
A Cash flow from operating activities		
Profit before Income Tax	11,972.60	11,733.61
Profit before Income Tax	11,972.60	11,733.61
Adjustment for:		
Non-Cash Items		
Depreciation and amortization expense		350.71
Liabilities written Off	261.33	(3.39)
Fair value (Gain)/ Loss on financial instruments	-	(16.43)
Impairment Allowance on Loans		805.30
Share Based Payments/Employee Stock Option	994.85	1,440.02
Non Operating Items		
Finance Cost		
Interest Received on FDR's	29,336.71	14,798.74
(Profit)/Loss on sale of investments		(433.63)
Operating (Loss)/Profit before working capital changes	42,565.49	28,674.92
Working capital adjustments:		
(Increase) / Decrease in Trade Receivables	(1,078.69)	-
(Increase) / Decrease in loans	(1,12,250.35)	(21,593.09)
(Increase) / Decrease in Other financial Assets	(8,828.80)	(7,840.36)
(Increase) / Decrease in Other Non Financial Assets	(1,724.28)	(409.95)
Increase / (decrease) in Trade Payables	(1,282.31)	1,416.87
Increase / (decrease) in Other Financial liabilities	10.46	(339.71)
Increase / (decrease) in Other Non Financial liabilities		(651.42)
Increase / (decrease) in Provisions (Net Of OCI Impact)	372.27	257.66
Increase / (decrease) in TDS receivable Net of Provision for Current Tax	(106.67)	
Cash (used in)/generated from Operations	(82,322.86)	(485.07)
Direct taxes paid (net of refund)	(4,496.63)	(624.75)
Net cash flows (used in)/generated from Operating activities (A)	(86,819.49)	(1,109.81)
B Cash flow from Investing activities:		
(Purchase) / sale of Property, plant and equipment and intangible assets	(900.28)	(15.21)
Net cash flows used in Investing activities (B)	(900.28)	(15.21)
C Cash flow from Financing activities:		
Increase / (Decrease) of Borrowings	1,18,837.63	16,738.73
Finance costs paid	(29,336.71)	(14,798.74)
Interest and principal payment of lease liabilities	(12.86)	(8.69)
Proceeds from Issue of Securities	3,919.16	-
Net cash flow from/(used in) Financing activities (C)	93,407.22	1,931.30
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	5,687.45	806.28
E Cash & cash equivalents as at the beginning of the period	2,922.43	2,116.15
Cash & cash equivalents as at the end of the period (D+E)	8,609.88	2,922.43
Cash and cash equivalents comprises:		
Cash & cash equivalents as at the ending of the period	8,609.88	2,922.43
Total cash and cash equivalents	8,609.88	2,922.43

The accompanying notes are integral part of financial statements.

Note:-

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

As per our report of even date

For Serva Associates
Chartered Accountants

ICAI Firm Registration No: 000272N

Nitin An
Partner
Membership No. 506898
Place: New Delhi
Date: 29th May, 2026



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

Tushar Aggarwal
(Managing Director)
DIN: 01587360
Place: New Delhi
Date: 29th May, 2026

Shruti Aggarwal
(Director)
DIN: 06867269
Place: New Delhi
Date: 29th May, 2026



Simarjeet Singh
(Company Secretary)
Membership No: F11779
Place: New Delhi
Date: 29th May, 2026

Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 29th May, 2026

Akara Capital Advisors Private Limited
Statement of Changes in Equity for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

A. Equity share capital	Number	Amount
Balance as at March 31, 2025	31,59,93,998	31,599.40
Changes in equity share capital during the year	32,63,128	326.31
Balance as at March 31, 2026	31,92,57,126	31,925.71

Particulars	Reserve and Surplus				Other Comprehensive Income	Total
	Securities premium	Statutory Reserve	Share based payment reserve	Retained earnings		
Balance as at 1 April 2024	15,095.27	2,231.77	6,036.00	4,315.92	(1.52)	27,677.45
Profit for the year	-	-	-	8,484.40	-	8,484.40
Other comprehensive income for the year	-	-	-	-	4.10	4.10
Additions to securities Premium Account	-	-	-	-	-	-
Share based payments	-	-	1,440.02	-	-	1,440.02
Tax Benefit	-	-	-	53.30	-	53.30
Transfer to statutory reserve	-	1,707.54	-	(1,707.54)	-	-
Balance as at March 31, 2025	15,095.27	3,939.31	7,476.02	11,146.08	2.59	37,659.27
Balance as at 1 April 2025	15,095.27	3,939.31	7,476.02	11,146.08	2.59	37,659.27
Profit for the year	-	-	-	8,337.25	-	8,337.25
Other comprehensive income for the year	-	-	-	-	(21.41)	(21.41)
Additions to securities Premium Account	3,592.84	-	-	-	-	3,592.84
Share based payments	-	-	994.85	-	-	994.85
Tax Benefit	-	-	-	-	-	-
Transfer to statutory reserve	-	1,667.45	-	(1,667.45)	-	-
Balance as at March 31, 2026	19,688.11	5,606.76	8,470.87	17,815.89	(18.82)	50,562.81

As per our report of even date
For Serva Associates
Chartered Accountants
ICAI Firm Registration No: 000272N



Nikhil
Member No: 506898
Place: New Delhi
Date: 29th May, 2026

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

Tushar Aggarwal
Tushar Aggarwal
(Managing Director)
DIN: 01587360
Place: New Delhi
Date: 29th May, 2026

Shruti Aggarwal
Shruti Aggarwal
(Director)
DIN: 06867269
Place: New Delhi
Date: 29th May, 2026

Pankaj Kumar
Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 29th May, 2026

Simarjeet Singh
Simarjeet Singh
(Company Secretary)
Membership No: F11779
Place: New Delhi
Date: 29th May, 2026



Akara Capital Advisors Private Limited
Significant Accounting Policies
(All amount in Rs. in Lakhs, unless stated otherwise)

1) Corporate Information

Akara Capital Advisors Private Limited ('the Company') is a company domiciled in India, with its registered office situated at 60, Second Floor, Arjun Nagar Kotla Mubarakpur, Delhi-110003. The company is registered as a Non-Deposit taking Non-Banking Financial Company under section 45IA of the Reserve Bank of India (RBI) Act 1934.

The company maintains its books of accounts at its corporate office situated at Unit No 1801-1805, 1806A, 1806B, 1807A, 1807B and 1815, 18th Floor Magnum Global Park 2, Golf Course Extension Road, Sector 58, Gurgaon, Haryana-122011.

The Company is registered with the Ministry of Corporate Affairs (MCA), Reserve Bank of India (RBI), Legal Entity Identifier India Ltd, Financial Intelligence Unit and Ministry of micro, small and medium enterprises. The registration details are as follows:

Corporate Identification Number (CIN)	U74110DL2016PTC290970
RBI	N-14.03354
LEI Number	335800POAHY3ASTR7U55
FIUREID	FINBF13492
UDYAM Registration	UDYAM-DL-08-0000214

The Authorized Share Capital of the company is Rs. 40,000.00 Lakhs divided into 40,00,00,000 ordinary equity shares of Rs. 10/- carrying one voting right per shares at all times.

The Subscribed Share Capital of the company is Rs. 31,925.71 Lakhs divided into 31,92,57,126 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 31,92,57,026 ordinary equity shares in the entire share capital of Akara Capital Advisors Private Limited.

The standalone financial statements of the Company for the year ended March 31, 2026 were approved for issue in accordance with the resolution of the Board of Directors on May 29, 2026.

2) Basis of Preparation

(i) Statement of Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with the Sec. 133 of the Companies Act 2013 and in compliance with the Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 and as further amended.

The financial statements are prepared on a going concern basis and on accrual basis of accounting.

The Company has adopted historical cost convention except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared as per the guidelines issued by the RBI as applicable to a NBFCs and other accounting principles generally accepted in India. Any applicable guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable

The regulatory disclosures as required by Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025, as amended, issued by RBI on 28th November 2025 are prepared as per the Ind AS financial statements.

(ii) Use of estimates

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Management believes that the estimates used in the preparation of financial statement are prudent and reasonable. Future result could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future period.

(iii) Presentation of Financial Statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in "Note 41-Maturity analysis of Assets and Liabilities".

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Company and or its counterparties.



Akara Capital Advisors Private Limited
Significant Accounting Policies
(All amount in Rs. in Lakhs, unless stated otherwise)

(iv) Functional and presentation currency

These standalone financial statements are prepared in INR, which is the Company's functional and presentation currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof except share data and per share data, unless otherwise stated.

(v) Basis of measurement

These standalone financial statements have been prepared on the historical cost basis, except for the following items:

Net defined benefit (asset)/ liability- Present value of defined benefit obligations

Derivative Financial Instrument- Fair Value through Profit and Loss Account

Other financial assets and liabilities- Amortised cost

3) Significant management judgement in applying accounting policies and estimation of uncertainty

(A) Significant management judgements

(i) Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

A deferred tax asset is only recognised for unused tax losses and deductible temporary differences, and to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(ii) Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of the recoverable amount of the assets. Property, plant and equipment, right-of-use assets and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic, fair value and market conditions.

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

(iv) Materiality of Prior Period item- Prior period items which are not material are not corrected retrospectively through restatement of comparative amounts and are accounted for in current year.

Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The combination of size and nature of the items are the determining factor.

(B) Significant estimates

(i) Useful lives of depreciable/amortizable assets – The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimates and assumptions regarding the expected market outlook, expected future cash flows, growth rates, obsolescence, demand, competition, and known technological advances. The charge in respect of periodic depreciation/ amortisation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting period.

(ii) Employee benefit obligations- Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iii) Fair value measurements –

The Company measures financial instruments, such as derivatives, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.



Akara Capital Advisors Private Limited
Significant Accounting Policies
(All amount in Rs. in Lakhs, unless stated otherwise)

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

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

(v) Expected Credit Loss (ECL) – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments about the following while assessing expected credit loss to estimate ECL:

- Determining criteria for a significant increase in credit risk;
- Determination of forward-looking estimates based on PD and LGD calculated on past trends for each type of product on Existing Exposure At Default (EAD);
- Establishing groups of similar financial assets to measure ECL; and
- Estimating the probability of default and loss given default (estimates of recoverable amounts in case of default).

(vi) Provisions (including litigation)– The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss.

4) MATERIAL ACCOUNTING POLICIES

(i) Property, Plant and Equipment (PPE)

Tangible Assets-

Recognition and measurement- Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation.

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

Subsequent expenditure-Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation-Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives mentioned in Schedule II to the Companies Act, 2013, using the Written Down Method and is recognised in the statement of profit and loss. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Capital Work-in-Progress-

The cost of PPE under construction at the reporting date is disclosed as 'Capital work-in-progress.' The cost comprises purchase price, import duties, non-refundable taxes, after deducting trade discounts & rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the location and condition necessary for it to be ready for its intended use. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are Classified under 'Capital Advances.'

The company do not possess any CWIP as on 31st March 2026 and 31st March 2025.

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Akara Capital Advisors Private Limited
Significant Accounting Policies
(All amount in Rs. in Lakhs, unless stated otherwise)

(ii) Intangible Assets

Nature: The Company has developed certain software applications, technology platforms and related digital infrastructure internally to support its loan arrangement and other internal operations. The costs directly attributable to the development of these assets have been capitalised as internally generated intangible assets upon satisfying the recognition criteria prescribed under IND AS 38 "Intangible Assets".

Capitalised costs comprise directly attributable employee benefits expenses incurred during the development phase. Research, planning and other preliminary costs incurred prior to the establishment of technical and commercial feasibility are expensed as incurred.

The amount capitalised represents management's best estimate of the costs based on available records and reasonable allocation methodologies.

Initial Recognition: Intangible assets are self generated and stated initially at generation cost. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to the Company.

Subsequent Recognition: All intangible assets with finite useful life are subsequently recognized at cost model. These intangible assets are carried subsequently at its cost less accumulated amortization and accumulated impairment loss if any.

Amortization method, estimated useful life and residual value: Intangible assets are amortized at straight line method over the period of their life. The amortisation period, residual value and the amortisation method are reviewed at least at each balance sheet date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Estimated Useful Life: Based on expected benefit from the assets developed (usually varying from 3 to 7 Years)

Derecognition: An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

(iii) Intangible Assets under Development

Expenditure incurred on intangible assets that are still under development is recognised as intangible assets under development. Upon completion and availability for their intended use, such assets are reclassified as intangible assets and amortisation commences in accordance with the Company's accounting policy.

(iv) Leases

As a lessee: The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset;
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- The Company has the right to direct the use of the asset

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets: The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is made available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

Lease liabilities: At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate for lease liabilities is considered as average borrowing rate of debt facilities availed by the company.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets: Lease payments on short-term leases (which has a lease term of up to 12 months) are recognised as expense over the lease term.

(v) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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(All amount in Rs. in Lakhs, unless stated otherwise)

(vi) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit and loss.

(vii) Earnings per Share

The basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

(viii) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Expected future operating losses are not provided for.

Contingent liabilities-A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements. Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets- Contingent assets are not recognised in the financial statements. They are disclosed where an inflow of economic benefits is probable. When the realisation of income is virtually certain, the related asset is recognised and is no longer treated as a contingent asset.

(ix) Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable. Where it is impracticable to determine the period-specific effects of an error, the Company restates the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable.

(x) Taxation

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current Tax- Current tax comprises the expected tax payable or refund receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss /other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax-Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.



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(xi) Employee Benefits

The Company's obligation towards various employee benefits has been recognised as follows:

Short term employee benefits-

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably. These are payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Compensated Absences : The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. Since the compensated absences are either utilised or otherwise encashed within 12 months of the period the benefit is classified as a short-term employee benefit. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit Credit Method. Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

Post-employment benefits-

Defined contribution plans-A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Provident fund, employee's state insurance scheme and labour welfare fund are defined contribution plans. These contributions are accounted for on an accrual basis and recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related services.

Defined benefit plans-A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan.

Gratuity: The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method. Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

Share-Based Payments as under IND AS 102: Equity-settled share-based payments to employees are granted by the ultimate parent Company. These are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'Share Based Payment reserve'. In cases where the share options granted vest in instalments over the vesting period, the Group treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

(xii) Financial Instruments

Recognition and initial measurement- A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or financial liability is initially measured at fair value and, for an item not at fair value through profit and loss (FVTPL), adjusted transaction costs that are directly attributable to its acquisition or issue.

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement of Financial Assets -

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL or equity instruments at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Amortised Cost-

Loans (financial asset) are measured at amortized cost if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognized on financial assets carried at amortized cost.

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Financial assets at Fair Value through Profit or Loss (FVTPL)-

Financial assets at FVTPL include all derivative financial instruments except for those designated and effective as hedging instruments, for which the hedge accounting requirements are being applied. Assets in this category are measured at fair value with gains or losses recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at Fair Value through Other Comprehensive Income (FVOCI)-

Financial assets at FVOCI comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in other comprehensive income and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment.

However, the Company may transfer the same within equity.

Classification and subsequent measurement of Financial Liabilities -

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for derivative financial liabilities which are carried at FVTPL, subsequently at fair value with gains or losses recognized in the statement of profit and loss. (FVTPL)

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for de-recognition.

De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(xiii) Impairment of Financial Assets-

The Company follows a 'three-stage' model for impairment of loan asset carried at amortized cost based on changes in credit quality since initial recognition as summarized below:

Stage 1- includes loan assets that have not had a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. (0-30 days)

Stage 2- includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment (31-90 days)

Stage 3- includes loan assets that have objective evidence of impairment at the reporting date (>90 days)

As required by Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 dated November 28, 2025 as amended, where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/ beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate impairment reserve.

Upgradation of accounts classified as Stage 3/ NPA - The Company upgrades loan accounts classified as Stage 3/ NPA to standard asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Company in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

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

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation, over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type, and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) - EAD is based on the amount of outstanding exposure as on the assessment date on which ECL is computed.

(xiv) Impairment of non-financial assets: The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the impairment is reversed subject to a maximum carrying value of the asset before impairment.



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(xv) Fair Value Measurement and Disclosure

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments at fair value on each balance sheet date.

The Company measures financial instruments, such as derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(xvi) Derivative financial instruments-

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e. the underlying).
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

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Hedge accounting

The Company has adopted hedge accounting. The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria. The Company has formally designated and documented the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are assessed on an on-going basis to determine their effectiveness in achieving offsetting changes in cash flows in the periods for which they were designated.

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect the statement of profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI as cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(xvii) Revenue Recognition

Interest income is accounted on all financial assets (except company is not recognizing interest income on credit impaired financial assets) measured at amortized cost. Interest income is recognized using the Interest Rate as applicable to each customer in line with Ind AS 109, Financial Instruments. Interest income on credit impaired assets is recognized on receipt basis.

Revenue comprises the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Company's activities. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is presented net of returns, trade allowances, discounts, value added taxes, goods and services tax (GST). Revenue is recognised as follows:

- I. Interest income on all loans with DPD 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 and accrued interest on such loans are reversed to the extent not received when they exceed DPD 90 days.
- II. Fees and Other revenue collected from customers is recognised on receipt basis.
- III. Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.
- IV. Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rates.
- V. Dividend income is accounted when the right to receive dividend is established
- VI. Rental income arising from leases is recognised on a straight line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

VII. Net gain/ (loss) on fair value changes

Any differences between the fair values of financial assets classified at FVTPL, held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in net gain on fair value changes under revenue from operations and if there is a net loss the same is disclosed under expenses in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt or equity instruments measured at FVTOCI is recognised in net gain/ loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVTOCI.

- VIII. The Company recognises income on recoveries of financial assets written off on realisation basis.
- IX. All other income is recognized on an accrual basis.



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2 Cash and cash equivalents	As at March 31, 2026	As at March 31, 2025
Particulars		
Cash and cash equivalents		
Cash-in-hand	0.30	0.30
Balance with banks		
In Current accounts	7,108.98	2,920.74
Bank Accounts	1,500.59	1.38
Deposits with original maturity of 3 months or less*	8,609.88	2,922.43
Total		

*There are no deposits with original maturity of 3 months or less pledged with Banks, Financial Institutions and NBFCs.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

3 Bank balances other than cash and cash equivalents	As at March 31, 2026	As at March 31, 2025
Particulars		
Deposit with original maturity of more than 3 months**	16,108.49	8,315.35
Total	16,108.49	8,315.35

**This includes deposit of INR 2,545.18 Lakhs (31 March 2025 INR 2,821.91 Lakhs) pledged with Banks, Financial Institutions and NBFCs.

Bank deposits and other balances with banks earns interest at fixed rate.

4 Derivative financial instruments

The Company enters into derivatives for risk management purposes and not for trading or speculative purpose. Derivatives held for risk management purposes may include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The Company has adopted hedge accounting for those that meet the hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

	As at March 31, 2026		As at March 31, 2025	
	Notional Amount	Fair Value-Assets/(Liabilities)	Notional Amount	Fair Value-Assets/(Liabilities)
Part-I				
Currency Derivatives:				
Cross Currency Interest Rate Swaps (US Dollar - INR Arrangement)			8,319.50	206.26
Option Contracts (US Dollar Call / INR Put)*	82,969.81	4,113.01	40,083.15	190.86
Total Derivative Financial Instruments	82,969.81	4,113.01	48,402.65	397.12

	As at March 31, 2026		As at March 31, 2025	
	Notional Amount	Fair Value-Assets/(Liabilities)	Notional Amount	Fair Value-Assets/(Liabilities)
Part-II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:-				
Currency Derivatives:				
Cross Currency Interest Rate Swaps (US Dollar - INR Arrangement)			8,319.50	206.26
Option Contracts (US Dollar Call / INR Put)*	82,969.81	4,113.01	40,083.15	190.86
Total Derivative Financial Instruments	82,969.81	4,113.01	48,402.65	397.12

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments is foreign currency risk. The Company's risk management strategy and how it is applied to manage risk are explained in note 55.

*The Company has entered into the above call option contracts to hedge its foreign currency exposure arising from principal and interest obligations. The notional amount of hedge instruments attributable to principal exposure is USD 737.17 lakhs, equivalent to INR 69,776.76 lakhs, and the notional amount attributable to interest exposure is USD 139.38 lakhs, equivalent to INR 13,193.04 lakhs.



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5 Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivable*	1,078.69	
Other Receivables	287.98	2,307.92
Total	1,366.67	2,307.92

*Includes payable to other related parties Rs. 1070.15 lakhs (March 31, 2025: Rs. Nil).

There are no dues from Directors or other officers of the Company or any firm or private company in which any Director is a partner, a Director or a member.

Trade receivable ageing schedule for the year ending March 31, 2026 summarised as below:

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good- Secured						
(ii) Undisputed trade receivables – considered good- Unsecured						
(iii) Undisputed trade receivables – which have significant increase in credit risk	1,078.69					1,078.69
(iv) Undisputed trade receivables – credit Impaired						
(v) Disputed trade receivables – considered good- Secured						
(vi) Disputed trade receivables – considered good- Unsecured						
(vii) Disputed trade receivables – which have significant increase in credit risk						
(viii) Disputed trade receivables – credit Impaired						

Trade receivable ageing schedule for the year ending March 31, 2025 summarised as below:

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good- Secured						
(ii) Undisputed trade receivables – considered good- Unsecured						
(iii) Undisputed trade receivables – which have significant increase in credit risk						
(iv) Undisputed trade receivables – credit Impaired						
(v) Disputed trade receivables – considered good- Secured						
(vi) Disputed trade receivables – considered good- Unsecured						
(vii) Disputed trade receivables – which have significant increase in credit risk						
(viii) Disputed trade receivables – credit Impaired						



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Other receivables ageing schedule for the year ending March 31, 2026 summarised as below:

Particulars	Outstanding for following periods from due date of payments				
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
(i) Undisputed trade receivables – considered good- Secured	-	-	-	-	-
(ii) Undisputed trade receivables – considered good- Unsecured	281.37	1.55	-	-	-
(iii) Undisputed trade receivables – which have significant increase in credit risk	-	2.15	-	1.20	-
(iv) Undisputed trade receivables – credit Impaired	-	-	-	-	-
(v) Disputed trade receivables – considered good- Secured	-	-	-	-	-
(vi) Disputed trade receivables – considered good- Unsecured	-	-	-	-	-
(vii) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
(viii) Disputed trade receivables – credit Impaired	-	-	-	-	-
					287.98

Other receivables ageing schedule for the year ending March 31, 2025 summarised as below:

Particulars	Outstanding for following periods from due date of payments				
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
(i) Undisputed trade receivables – considered good- Secured	-	-	-	-	-
(ii) Undisputed trade receivables – considered good- Unsecured	2,165.66	138.90	2.15	1.20	-
(iii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
(iv) Undisputed trade receivables – credit Impaired	-	-	-	-	-
(v) Disputed trade receivables – considered good- Secured	-	-	-	-	-
(vi) Disputed trade receivables – considered good- Unsecured	-	-	-	-	-
(vii) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
(viii) Disputed trade receivables – credit Impaired	-	-	-	-	-
					2,307.92

Trade Receivables ageing has been prepared on an invoice-wise basis using the FIFO method.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

6 Loans

At amortised cost	As at March 31, 2026	As at March 31, 2025
A. Product-wise		
Term Loan	2,78,850.53	1,64,226.99
Total (A) Gross	2,78,850.53	1,64,226.99
Add: Interest Accrued on Loans	12,992.37	9,998.26
Less: Impairment loss allowance on Loans	14,455.29	9,925.69
Less: Impairment loss allowance on Accrued Interest	1,100.44	654.26
Less: Unamortized Revenue*	391.52	-
Total (A) Net	2,75,895.64	1,63,645.30
B. Security-wise		
Secured by tangible assets**	525.02	10.00
Secured by intangible assets***	10.29	43.81
Unsecured	2,78,315.22	1,64,173.18
Total (B) Gross	2,78,850.53	1,64,226.99
Add: Interest Accrued on Loans	12,992.37	9,998.26
Less: Impairment loss allowance on Loans	14,455.29	9,925.69
Less: Impairment loss allowance on Accrued Interest	1,100.44	654.26
Less: Unamortized Revenue*	391.52	-
Total (B) Net	2,75,895.64	1,63,645.30
*During the year, the Company commenced disbursement of loans through Direct Selling Agents (DSAs). Accordingly, in accordance with the applicable Ind AS requirements, the Company has recognised unamortised income and expenses relating to such loans, which are amortised over the expected tenure of the respective loans. The unamortised expense balance has been disclosed under "Other Non-Financial Assets" in Note 11. **Secured by tangible assets represents loan which are secured by equitable or registered mortgage of immovable property in favour of the company. *** Secured by intangible assets represents loans which are secured by units of mutual fund lien marked in favour of the company.		
C. Location-wise		
C-I. Loans in India		
Public Sector	-	-
Others	2,78,850.53	1,64,226.99
Total (C-I) Gross	2,78,850.53	1,64,226.99
Add: Interest Accrued on Loans	12,992.37	9,998.26
Less: Impairment loss allowance on Loans	14,455.29	9,925.69
Less: Impairment loss allowance on Accrued Interest	1,100.44	654.26
Less: Unamortized Revenue	391.52	-
Total (C-I) Net	2,75,895.64	1,63,645.30
C-II. Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C-II) Net	-	-
Total Net (C-I) and Net (C-II)	2,75,895.64	1,63,645.30

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

6.1 Credit Quality of Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's year-end stage classification. The amounts disclosed are presented on a gross basis, before impairment allowances. Details of the Company's internal grading for stage classification & policies on ECL allowances are set out in Note 1(4) (xiii) and Note 1(4) (xiv).

Particulars	As at March 31, 2026			As at March 31, 2025				
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
Performing								
High Grade	2,42,603.89	-	-	2,42,603.89	1,27,802.43	-	-	1,27,802.43
Standard Grade	-	24,043.96	-	24,043.96	-	28,946.75	-	28,946.75
Non Performing								
	-	-	12,202.68	12,202.68	-	-	7,477.81	7,477.81
Total	2,42,603.89	24,043.96	12,202.68	2,78,850.53	1,27,802.43	28,946.75	7,477.81	1,64,226.99

- i) Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.
- ii) Loans approved and sanctioned but un-disbursed amount is Rs. 3,54,882.04 lakhs as on March 31, 2026 (March 31, 2025- Rs. 2,61,285.33 Lakhs), since the respective customers had not requested / availed drawdown of the sanctioned facilities upto March 31, 2026
- iii) For analysis of changes in the gross carrying amount and Impairment Allowance, refer Note 38
- iv) The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority during the years ended March 31, 2026 and March 31, 2025 respectively.

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Akara Capital Advisors Private Limited

Notes to the Financial Statements for the year ended March 31, 2026

(All amount in Rs. in Lakhs, unless stated otherwise)

6.2 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- Definition of default and cure

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower exceeds 90 days past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment.

- Probability of default ("PD")

Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Company calculates the 12 month PD by taking into account the past historical trends of the Loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk / credit impaired assets, lifetime PD has been applied.

- Exposure at default ("EAD")

The amount which the borrower will owe to the portfolio at the time of default is defined as Exposure at Default (EAD). While the drawn credit line reflects the explicit exposure for the Company. The value of exposure is given by the following formula:

$$EAD = \text{Drawn Credit Line} + \text{Accrued Interest as on the reporting date.}$$

Where,

$$\text{Drawn Credit Line} = \text{Current outstanding amount}$$

- Loss given default ("LGD")

The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money. The Loss Given Default (LGD) has been computed with workout methodology. Workout LGD is widely considered to be the most flexible, transparent and logical approach to build an LGD model. Along with actual recoveries. Workout LGD computation involves the actual recoveries as well as future recoveries (as a part of the workout process) on a particular facility, as a percentage of balance outstanding at the time of Default/Restructuring. The assessment of workout LGD was then performed. Principal outstanding for each loan was assessed, which went into the denominator of the LGD calculation. LGD computation has been done for each segment and sub-segment separately.

- Significant increase in credit risk

Company considers a financial instrument defaulted, classified as Stage 3 (credit-impaired) for ECL calculations, in all cases when the borrower exceeds 90 days past due or classified as non performing asset (NPA) as per RBI guidelines. Classification of assets form stage 1 to stage 2 has been carried out based on Significant Increase in Credit Risk- SICR criterion. Accounts which are more than 30 days past due have been identified as accounts where significant increase in credit risk has been observed. These accounts have been classified as Stage 2 assets. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

- Risk assessment model

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of product categories and their respective credit behaviour.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

7 Investments

Particulars	At Fair Value				
	Amortised Cost	Through other comprehensive income	Through profit or loss	Others	Total
As at March 31, 2026					
Unquoted:					
Investment in Pass through Certificate (PTC)*	2,077.44				2,077.44
(Less): netted off against 'Securitisation – Rupee Loans'	(2,077.44)				(2,077.44)
Total (A)	-	-	-	-	-
Investments in India					
Gross Investment	2,077.44	-	-	-	2,077.44
(Less): netted off against 'Securitisation – Rupee Loans'	(2,077.44)	-	-	-	(2,077.44)
Investments outside India	-	-	-	-	-
Total (B)	-	-	-	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total Net (D) = (A) – (C)	-	-	-	-	-
As at March 31, 2025					
Unquoted:					
Investment in Pass through Certificate (PTC)*	249.11	-	-	-	249.11
(Less): netted off against 'Securitisation – Rupee Loans'	(249.11)	-	-	-	(249.11)
Total (A)	-	-	-	-	-
Investments in India					
Gross Investment	249.11	-	-	-	249.11
(Less): netted off against 'Securitisation – Rupee Loans'	(249.11)	-	-	-	(249.11)
Investments outside India	-	-	-	-	-
Total (B)	-	-	-	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total Net (D) = (A) – (C)	-	-	-	-	-

Note: Investments in Pass Through Certificates (PTCs) pertaining to loan assets transferred by the Company during the years ended 31 March 2026 and 31 March 2025, amounting to ₹2,077.44 lakhs and ₹249.11 lakhs, respectively, have been netted off against "Securitisation – Rupee Loans from Financial Institutions", representing secured securitisation borrowings, and are presented under Note 14 – "Borrowings Other than Debt Securities"

8 Other financial assets (at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Security Deposit		
FLDG Recoverable	1.95	25.59
Collateral to lenders*	69.96	2,072.09
Amount Recoverable from Lender	1,179.57	-
Advance to supplier	68.56	10.12
Income Tax Refund Receivable	35.53	4.24
Total	96.20	-
	1,451.77	2,112.05

*Collateral to lenders includes interest accrued on fixed deposits placed as collateral in favour of lenders. The interest accrued thereon is recoverable by the Company and amounts to INR 12.53 lakhs as at 31st March, 2026.

9 Deferred Tax liabilities / (assets)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability		
Unamortised Borrowing Cost	940.46	528.56
Other Financial and Non-Financial Assets	547.12	-
Property, Plant and Equipments	2.86	5.33
Gross deferred tax liability (A)	1,490.44	533.89
Deferred tax asset		
Expected credit loss (ECL)	3,638.11	2,765.24
Unamortized Revenue	98.54	-
Provision for employee benefits	54.05	36.65
Property, Plant and Equipments	0.27	-
Intangible Assets	108.21	111.67
Other Financial and Non-Financial Liabilities	0.40	-
Lease Liability	3.07	5.30
Gross deferred tax asset (B)	3,902.65	2,918.87
Net Deferred Tax Asset/(Liability) (C) = (B) – (A)	2,412.20	2,384.97

*During the years ended 31 March 2026 and 31 March 2025, the Company recognised the fair value gain on derivative financial instruments as taxable income under the provisions of the Income-tax Act. Accordingly, no temporary differences exist in respect of these derivative financial instruments as at the reporting dates. Consequently, no deferred tax asset or deferred tax liability has been recognised in accordance with the requirements of Ind AS 12 – Income Taxes.

9.1 Reconciliation of deferred tax assets/ (liabilities)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance		
Deferred tax benefit recognised during the year	2,384.97	2,609.29
Closing balance	2,412.20	2,384.97

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

10(a) Property, Plant and Equipment

	Office equipment	Right of Use assets* (Vehicles on Lease)	Total
Gross Carrying Amount			
Balance as at March 31, 2024	-	19.29	19.29
Additions	1.70	14.18	15.88
Disposals	-	-	-
Balance as at March 31, 2025	1.70	33.47	35.17
Additions**	2.93	1.56	4.48
Disposals	-	-	-
Balance as at March 31, 2026	4.63	35.03	39.65
Accumulated Depreciation			
Balance as at March 31, 2024	-	6.43	6.43
Charge for the year	0.53	7.02	7.55
Disposals	-	-	-
Balance as at March 31, 2025	0.53	13.45	13.98
Charge for the year	1.41	10.21	11.62
Disposals	-	-	-
Balance as at March 31, 2026	1.94	23.66	25.60
Net Book Value			
Net balance as at March 31, 2025	1.17	20.02	21.19
Net balance as at March 31, 2026	2.69	11.36	14.05

*For details of Right of Use assets, refer Note 37.

** Additions to right-of-use assets during the year represent remeasurement adjustments arising from changes in lease terms (Revision in lease payments), accounted for in accordance with Ind AS 116, "Leases".

The Company has not revalued any of its property, plant and equipment during the financial years ended March 31, 2026 and March 31, 2025. Hence, there is no change in gross and net carrying amount due to revaluation and impairment losses/ reversals.

10(b) Intangible assets under development:

Particulars	Software	Total
Gross Carrying Amount		
Balance as at March 31, 2024	12.50	12.50
Capitalised during the year	(4.86)	(4.86)
Disposals	(12.50)	(12.50)
Additions	24.25	24.25
Balance as at March 31, 2025	19.39	19.39
Capitalised during the year	(19.39)	(19.39)
Disposals	-	-
Additions	877.78	877.78
Balance as at March 31, 2026	877.78	877.78

The Company does not have any projects which are temporarily suspended as at March 31, 2026 and March 31, 2025.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

10(b)(i) Intangible assets under development ageing schedule

Details of Intangible assets under development as on March 31, 2026

Intangible assets under development	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
Projects in Progress	877.78	-	-	-	877.78
Projects temporarily suspended	-	-	-	-	-

Details of Intangible assets under development as on March 31, 2025

Intangible assets under development	Amount in intangible assets under development for the period of				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
Projects in Progress	19.39	-	-	-	19.39
Projects temporarily suspended	-	-	-	-	-

10(b)(ii) Intangible assets under development completion schedule whose completion is overdue or has exceeded its cost compared to its original plan

Details of Intangible assets under development as on March 31, 2026

Intangible assets under development	To be Completed in				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-

Details of Intangible assets under development as on March 31, 2025

Intangible assets under development	To be Completed in				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

10(c) Intangible assets

Particulars	Software	Total
Gross Carrying Amount		
Balance as at March 31, 2024		
Additions	2,275.39	2,275.39
Disposals	49.16	49.16
Balance as at March 31, 2025	-	-
Additions	2,324.55	2,324.55
Disposals	19.39	19.39
Balance as at March 31, 2026	-	-
	2,343.94	2,343.94
Accumulated Amortization		
Balance as at March 31, 2024		
Charge for the year	1,403.24	1,403.24
Disposals	330.65	330.65
Balance as at March 31, 2025	-	-
Charge for the year	1,733.89	1,733.89
Disposals	249.71	249.71
Balance as at March 31, 2026	-	-
	1,983.61	1,983.61
Net Book Value		
Net balance as at March 31, 2025		
Net balance as at March 31, 2026	590.66	590.66
	360.33	360.33

The Company has not revalued any of its intangible assets during the years ended March 31, 2026 and March 31, 2025. Hence, there is no change in gross and net carrying amount due to revaluation and impairment losses/ reversals.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

11 Other non- financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid Expenses	39.55	14.95
Unamortized Expense	2,173.87	-
Other recoverable	-	474.19
Total	2,213.42	489.15

12 Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises s (Refer note 34)	150.59	393.62
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises*	1,112.25	2,151.53
Total	1,262.84	2,545.15

*Includes payable to other related parties Rs. Nil (March 31, 2025: Rs. 1811.65 Lakhs).

Trade Payable ageing schedule as on March 31, 2026

Particular	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
(i) MSME	150.59	-	-	-	150.59
(ii) Others	1,104.67	1.73	-	-	1,106.40
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	5.85	5.85
Total	1,255.26	1.73	-	5.85	1,262.84

Trade Payable ageing schedule as on March 31, 2025

Particular	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
(i) MSME	393.58	0.04	-	-	393.62
(ii) Others	2,145.20	-	0.48	-	2,145.68
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	5.85	5.85
Total	2,538.78	0.04	0.48	5.85	2,545.15

Trade Payables ageing has been prepared on an invoice-wise basis using the FIFO method.

13 Debt Securities

At amortised cost	As at March 31, 2026	As at March 31, 2025
Secured *		
Non-convertible debentures	1,04,895.99	33,258.15
Unsecured		
Commercial Paper		
From LLP(for Mar'25) & AIF(for Mar'24)**	19,660.12	525.00
Total gross (A)	1,24,556.11	33,783.15
Add: Accrued Interest	529.28	106.50
Less: Unamortised Borrowing Cost	(3,443.27)	(1,976.19)
Total Net (A)	1,21,642.12	31,913.46
Debt securities in India	1,21,642.12	31,913.46
Debt securities outside India	-	-
Total (B)	1,21,642.12	31,913.46

* Secured against exclusive charge by way of hypothecation over the Company's loan receivables.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

13.1 Details of debt securities:

A. Secured Non-Convertible Debentures Redeemable at Par

Privately placed:

All the debentures are privately placed and are secured by exclusive charge on loan receivables of the company. During the year ended March 31, 2026, the Company has raised Rs 95,250 Lakhs (March 31, 2025 Rs 33,632.85 Lakhs) worth of redeemable non-convertible debentures through private issue. The Company has utilised the whole of the aforementioned net proceeds towards the objects of the issue as stated in the respective term sheets.

Corporate Guarantee:

Corporate Guarantee of Rs. 67,500 Lakhs and Rs. 51,450.00 Lakhs, for year ended 31st March, 2026 and 31st March, 2025 respectively, have been provided by group companies of Akara Capital Advisors Private Limited to respective Debenture Trustees for the debentures issued by Akara Capital Advisors Private Limited. The Commission expense thereon has been recorded in books amounting to Rs. 1,080.42 Lakhs and Rs. 464.57 Lakhs for year ended 31st March, 2026 and 31st March, 2025 respectively.

B. Unsecured Commercial Papers Redeemable at Par

Privately placed:

All the Commercial papers are privately placed and unsecured. During the year ended March 31, 2026, the Company has raised Rs 42,400 Lakhs (March 31, 2025 Rs 3,025 Lakhs) worth of commercial papers through private issue. The Company has utilised the whole of the aforementioned net proceeds towards the objects of the issue as stated in the respective term sheets.

13.2 Terms of repayment of Non-Convertible Debentures Outstanding

As at 31st March 2026

No. Of Securities	Option available	Face Value (Rs.)	Interest(%)	Date Of Redemption	Outstanding Amount
Listed NCDs					
2000	No Option	1,00,000	11.90%	03-12-2026	2,000.00
1000	No Option	1,00,000	12.00%	03-12-2029	1,000.00
14000	Put Option	1,00,000	12.00%	14-08-2028	13,448.18
2500	No Option	1,00,000	12.00%	16-09-2027	2,045.40
2500	No Option	1,00,000	12.00%	16-09-2027	2,045.40
30000	No Option	10,000	12.00%	17-11-2028	2,866.48
85000	Put Option	10,000	12.50%	06-02-2029	8,500.00
10000	No Option	10,000	13.00%	29-10-2028	954.60
1000	No Option	1,00,000	12.30%	03-01-2027	833.33
2500	No Option	1,00,000	13.30%	21-02-2027	1,041.67
17650	Put Option	1,00,000	12.50%	27-12-2028	16,550.96
5000	No Option	1,00,000	9.85%	17-04-2026	5,000.00
160000	No Option	10,000	12.00%	21-05-2027	16,000.00
135000	No Option	10,000	12.00%	11-06-2027	13,500.00
35000	No Option	10,000	12.00%	13-04-2027	3,500.00
25000	No Option	10,000	9.85%	30-10-2026	2,500.00
25000	No Option	10,000	9.85%	11-01-2027	2,500.00
2000	No Option	1,00,000	0.00%	28-09-2026	1,843.94
30000	No Option	10,000	14.35%	28-10-2026	1,615.39
2000	No Option	1,00,000	14.75%	10-04-2027	1,333.33
61000	No Option	10,000	12.50%	17-01-2027	4,692.31
2500	No Option	1,00,000	14.00%	31-12-2026	1,125.00
Total					1,04,895.99

As at 31st March 2025

No. Of Securities	Option available	Face Value (Rs.)	Interest (%)	Date Of Redemption	Outstanding Amount
Listed NCDs					
3000	No Option	1,00,000	14.50%	29-03-2026	3,000.00
500	No Option	1,00,000	13.00%	24-04-2025	125.00
500	No Option	1,00,000	12.00%	21-06-2025	500.00
4000	No Option	1,00,000	10.01%	21-12-2025	4,000.00
3000	No Option	1,00,000	10.01%	21-12-2025	3,033.15
16000	No Option	10,000	12.50%	19-02-2026	1,600.00
5000	No Option	1,00,000	10.01%	22-02-2026	5,000.00
5000	No Option	1,00,000	10.01%	17-04-2026	5,000.00
2000	No Option	1,00,000	11.90%	03-12-2026	2,000.00
2500	No Option	1,00,000	14.00%	31-12-2026	2,500.00
5500	Put Option	1,00,000	12.00%	14-08-2028	5,500.00
1000	No Option	1,00,000	12.00%	03-12-2029	1,000.00
Total					33,258.15

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

13.3 Terms of repayment of Commercial Papers Outstanding

As at 31st March 2026

No. Of Securities	Face Value (Rs.)	Discount (%)	Date Of Redemption	Outstanding Amount
1130	5,00,000	10.25%	11-05-2026	5,586.31
100	5,00,000	14.75%	30-05-2026	488.17
200	5,00,000	14.75%	19-05-2026	976.72
600	5,00,000	14.05%	14-05-2026	2,950.94
200	5,00,000	15.00%	29-04-2026	988.51
740	5,00,000	13.02%	06-05-2026	3,654.40
440	5,00,000	13.18%	03-08-2026	2,148.34
600	5,00,000	14.50%	06-08-2026	2,866.72
Total				19,660.12

As at 31st March 2025

No. Of Securities	Face Value (Rs.)	Discount (%)	Date Of Redemption	Outstanding Amount
105	5,00,000	15.00%	23-06-2025	525.00
Total				525.00

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

14 Borrowings (Other Than Debt Securities) - At amortised cost

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Terms Loans		
From Financial Institutions	11,778.65	10,272.37
From Banks	5,662.44	4,714.67
Inter Corporate Deposits	697.22	791.67
Foreign Loan		
From Holding Company	58,691.38	52,893.07
Securitisaion-Rupee Loans		
From Financial Institutions	18,584.40	3,893.04
Lease Liability*	12.19	21.07
Total gross (A)	95,426.28	72,585.89
Add: Accrued Interest ECB	525.37	409.94
Add: Accrued Interest on Term Loans**	172.78	89.55
Add: Borrowings Revaluation Reserve	8,369.80	2,135.77
Less: Unamortised Borrowing Cost	(293.47)	(123.77)
Total Net (A)	1,04,200.77	75,097.38
Borrowings in India	36,614.21	19,658.60
Borrowings outside India	67,586.56	55,438.78
Total (B)	1,04,200.77	75,097.38

*For details of Lease Liability, refer Note 37.

**Accrued interest on term loans comprises interest accrued on borrowings from banks and financial institutions.

There are no borrowings measured at Fair Value Through Profit and Loss Account (FVTPL) or designated at FVTPL.

Default: As at the reporting date, there are no defaults in the repayment of borrowings or interest thereon.

Corporate Guarantee : Corporate Guarantee of Rs. 17,450.00 Lakhs and Rs. 21,304.00 Lakhs, for year ended 31st March, 2026 and 31st March, 2025 respectively, have been provided by group companies of Akara Capital Advisors Private Limited to various lenders on the facilities availed from them on behalf of Akara Capital Advisors Private Limited. The Commission expense thereon has been recorded in books amounting to Rs. 214.38 Lakhs and Rs. 180.71 Lakhs for year ended 31st March, 2026 and 31st March, 2025 respectively.

End Use: The Company has taken borrowings from banks, Financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date.

Security:

1. The Term loans and Foreign Loan are secured against exclusive charge by way of hypothecation over the Company's loan receivables.

2. Securitisation borrowing represents the net outstanding value (Net of Investment in Pass-through Certificates) of the proceeds received by the company from securitisation trusts in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided Credit enhancement to the trust by way of cash collateral in the form of deposits pledged with banks.

Tenure and Interest Rate:

1. Term loans from banks carried interest rates ranging from 7.85% p.a. to 14.00% p.a. (31 March 2026) and 9.50% p.a. to 14.00% p.a. (31 March 2025), and were sanctioned with tenors ranging from 6 months to 2 years (31 March 2026) and 9 months to 2 years (31 March 2025). The loans are repayable in monthly installments as per the respective loan agreements.

2. Term loans from financial institutions carried interest rates ranging from 11.80% p.a. to 15.10% p.a. and were sanctioned with tenors ranging from 6 months to 2 years as at 31 March 2026 and 31 March 2025. The loans are repayable in monthly installments as per the respective loan agreements.

3. Secured securitisation loans carried interest rates ranging from 11.40% p.a. to 15.55% p.a. and were sanctioned with tenors ranging from 13.5 months to 23 months as at 31 March 2026 and 21 months to 29 months as at 31 March 2025. The loans are repayable in monthly installments as per the respective loan agreements.

4. External Commercial Borrowings (ECBs) carried interest rates ranging from 8.50% p.a. to 10.35% p.a. and were sanctioned with tenors ranging from 3 years to 6 years as at 31 March 2026 and 31 March 2025. The borrowings are repayable on a bullet repayment basis in accordance with the respective loan agreements.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in lakhs, unless stated otherwise)

14.1 Terms of repayment of borrowings (Other Than Debt Securities) outstanding

Rate	Tenure	As at March 31, 2026	As at March 31, 2025
Fixed	<1 Year	22,266.66	29,866.77
	1-2 Years	7,643.46	14,230.59
	2-3 Years	30,017.28	15,396.18
	3-4 Years	13,307.54	3.64
	4-5 Years	8,347.97	-
Floating	<1 Year	12,284.53	11,099.87
	1-2 Years	1,558.83	1,988.84
Total		95,426.28	72,585.89

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in lakhs, unless stated otherwise)

15 Other financial liabilities (at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Loan pending disbursement*	23.22	57.72
Collection from Customer**	50.74	4.65
Due to Colenders***	43.22	20.22
Statutory remittances	718.22	761.61
Employee related payable	276.04	276.90
Expense and Other Payables	91.99	71.87
Total	1,203.43	1,192.97

*Represents loan commitments pending undisbursed as on the reporting date. These represent sanctioned facilities pending disbursement and are not been recognised as loan assets outstanding as at March 31, 2026 and March 31, 2025 respectively.

**Represents amounts collected from customers which are yet to be mapped to individual customer accounts.

***Represents amounts payable to co-lenders under co-lending arrangements.

16 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Tax (Net of TDS Receivable and Advance Tax)	1,408.71	2,381.91
Total	1,408.71	2,381.91

17 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for compensated absences*	103.71	65.99
Provisions for Gratuity	111.02	79.60
Other Provisions		
Provision for Expenses	1,002.11	670.38
Total	1,216.85	815.97

*Represents provision for Leave Encashment payable to employees towards earned leaves.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

18 Share Capital

Authorised Share Capital

Particulars	Equity Shares		Preference Shares	
	Number of shares	Amount (in INR Lakhs)	Number of shares	Amount (in INR Lakhs)
As at March 31, 2024	40,00,00,000	40,000	-	-
Increase during the year	-	-	-	-
As at March 31, 2025	40,00,00,000	40,000	-	-
Increase during the year	-	-	-	-
As at March 31, 2026	40,00,00,000	40,000	-	-

Terms/ rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹ 10 per share (previous year ₹ 10 per share). Each holder of equity share is entitled to one vote per share in proportion of the share of the paid-up capital of the Company held by the shareholder. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after discharging all liabilities of the Company, in proportion to their shareholdings.

18.1 Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid

Particulars	Number of shares	Amount (in INR Lakhs)
As at March 31, 2024	31,59,93,998	31,599.40
Add: shares issued during the year	-	-
As at March 31, 2025	31,59,93,998	31,599.40
Add: shares issued during the year	32,63,128	326.31
As at March 31, 2026	31,92,57,126	31,925.71

18.2 Shares held by Beneficiaries and Holding Company

Name of the promoter	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of shareholding	Number of shares	% of shareholding
Equity shares of Rs. 10 each fully paid				
Shruti Aggarwal (Beneficial Owner- Morus Technologies Pte. Ltd.)	100	0.00003%	100	0.00003%
Morus Technologies Pte. Ltd. (Holding Company)	31,92,57,026	99.99997%	31,59,93,898	99.99997%
Total	31,92,57,126	100.00%	31,59,93,998	100.00%

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



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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

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

Name of the promoter	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of shareholding	Number of shares	% of shareholding
Equity shares of Rs. 10 each fully paid				
Morus Technologies Pte. Ltd. (Holding Company)	31,92,57,026	99.99997%	31,59,93,898	99.99997%
Total	31,92,57,026	99.99997%	31,59,93,898	99.9999684%

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

18.4 Shareholding of promoter in the company(Equity)

Name of the promoter	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of shareholding	Number of shares	% Change during the year
Shruti Aggarwal (Beneficial Owner- Morus Technologies Pte. Ltd.)	100	0.00003%	100	-
Morus Technologies Pte. Ltd. (Holding Company)	31,92,57,026	99.99997%	31,59,93,898	1.03%

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

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

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



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

19 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Other Equity		
Securities Premium A/c		
Opening Balance	15,095.27	15,095.27
Add : Premium on issue of equity shares	3,559.99	-
Add : Premium on issue of Debentures	32.85	-
Balance at the end of the year	18,688.11	15,095.27
Reserve U/s 45-IC of the Reserve Bank of India Act 1934		
Opening Balance	3,939.31	2,231.77
Add : Amount transferred from surplus of Profit and Loss	1,667.45	1,707.54
Balance at the end of the year	5,606.76	3,939.31
Share Based Payments Reserve		
Opening Balance	7,476.02	6,036.00
Add: Share Based Payment Reserve (Parent)	994.85	1,440.02
Balance at the end of the year	8,470.87	7,476.02
Retained earnings		
Opening Balance	11,146.08	4,315.92
Add : Profit for the year	8,337.25	8,484.40
Add: Addition to reserve	-	53.30
Less : Transferred to statutory reserves	(1,667.45)	(1,707.54)
Balance at the end of the year	17,815.89	11,146.08
*Represents tax benefit arising during the year, directly credited to retained earnings.		
Other Comprehensive Income-Remeasurement of Employees Defined Benefit Plan Obligation		
Opening Balance	2.59	(1.52)
Add : Other comprehensive income	(28.61)	5.48
Less : Income-tax effect on other comprehensive income	7.20	(1.38)
Balance at the end of the year	(18.82)	2.59
Total Other Equity	50,562.81	37,659.27

19.1 Nature and purpose of reserves

a. Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in securities premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b. Statutory reserve/Reserve U/s 45-IC of the Reserve Bank of India Act 1934

Every Non-Banking Financial Company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

c. Share Based Payments Reserve

Under IND AS 102, fair value of the options granted is required to be accounted as expense over the life of the vesting period as employee compensation costs, reflecting the period of receipt of service. Share based payment reserve represents the amount of reserve created for recognition of employee compensation cost at grant date with corresponding charge recognised in Statement of Profit and Loss. Here the options are being granted by the parent company (Morus Technologies Pte Limited) to the employees of the company (Akara Capital Advisors Private Limited).

d. Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, general reserve, dividend distributed to shareholders and other appropriations.

e. Remeasurement of Employees Defined Benefit Plan Obligation

Remeasurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

20	Interest income - On financial assets measured at Amortised cost		
	Particulars	For the year March 31, 2026	For the year March 31, 2025
	Interest income from loan financing	60,539.71	47,084.70
	Interest income on deposits with Banks	640.81	433.63
	Total	61,180.53	47,518.34
21	Fees and commission Income		
	Particulars	For the year March 31, 2026	For the year March 31, 2025
	Service and other fees	29,971.43	23,429.56
	Total	29,971.43	23,429.56
22	Net gain/(loss) on fair value changes		
	Particulars	For the year March 31, 2026	For the year March 31, 2025
	Total net gain on fair value changes on financial instruments measured at fair value through profit and loss		
	Gain/ (loss) on Fair Value changes in derivative financial instruments	2,587.90	16.43
	Total Net gain on fair value changes	2,587.90	16.43
	Total net gain on fair value changes on financial instruments measured at fair value through profit and loss		
	Fair value changes		
	Realised	538.32	-
	Unrealised	2,049.57	16.43
	Total Net gain on fair value changes	2,587.90	16.43
23	Other income		
	Particulars	For the year March 31, 2026	For the year March 31, 2025
	IT Support Services	918.84	-
	Interest Income on Cash Collateral to PTC Trustees	12.53	-
	Income From PTC Portfolio	-	1.22
	Miscellaneous Income	7.92	4.64
	Total	939.29	5.86
24	Finance Costs		
	Particulars	For the year March 31, 2026	For the year March 31, 2025
	Interest Expenses on financial liabilities measured at Amortised cost :-		
	Borrowings		
	Interest on Loans from Banks	1,048.96	591.20
	Interest on Loans from financial institutions	1,664.31	3,487.70
	Interest on foreign loan from holding company	6,209.72	4,717.12
	Interest on loan from related party	0.23	8.62
	Interest Expenses on ICD's	98.74	131.67
	Interest Expenses on Commercial Paper	571.32	106.87
	Interest Expenses on PTC-Securitisation	1,087.34	102.86
	Forex Loss	6,257.49	1,347.70
	Debt Securities		
	Interest on Debentures	9,950.51	2,564.48
	Interest On Lease	2.41	1.85
	Other Borrowing Cost*	2,445.68	1,738.66
	Total	29,336.71	14,798.74
	*Other Borrowing Cost for year ended 31st March, 2025 includes commission expense incurred towards Corporate guarantee provided by group companies of Akara Capital Advisors Private Limited to various lenders on the facilities availed from them on behalf of Akara Capital Advisors Private Limited amount to Rs. 407.02 Lakhs for year ended 31st March, 2024.		
25	Impairment on financial instruments		
	Particulars	For the year March 31, 2026	For the year March 31, 2025
	On financial instruments measured at Amortised cost		
	Impairment Allowance on Loans*	4,975.78	805.30
	Bad Debts**	28,214.29	28,098.00
	Total	33,190.07	28,903.30

*Impairment Allowance on Loans for year ended 31st march, 2025 includes impairment provision towards FLDG Recoverable (such assets are shown in Note 8)

**The amount represents bad debts written off during the year, after adjusting for amounts recovered.

For details of impairment assessment, Refer Note No. 55 (A)

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

26 Employee Benefits Expenses

Particulars	For the year March 31, 2026	For the year March 31, 2025
Salaries and wages	3,534.22	2,523.86
Director Remuneration	8.59	51.56
Contribution to provident and other funds	93.75	66.54
Gratuity (refer note 32)	30.53	21.96
Expense for compensated absences*	64.36	38.68
Staff welfare expense	7.15	3.58
Share Based Payments**	994.85	1,440.02
Total	4,733.44	4,146.20

*Represents expense towards provision for leave encashment payable to employees towards earned leaves.

**Expense towards share options granted to eligible employees of the Company by the parent company under its employee share option plan.

27 Depreciation, amortization and impairment

Particulars	For the year March 31, 2026	For the year March 31, 2025
Depreciation on Tangible Assets and Right of Use Assets	11.62	7.55
Amortisation on intangible assets	249.71	330.65
Total	261.33	338.21

28 Other expenses

Particulars	For the year March 31, 2026	For the year March 31, 2025
Direct Expense	7,548.74	5,060.28
Communication Expenses	0.80	17.73
Printing & Stationery	2.62	1.94
Auditor's Remuneration (detailed in 28(a))	13.45	11.73
Legal & Professional	834.55	426.60
Commission	1,003.95	298.32
Insurance Expenses	14.24	2.12
Travelling & Conveyance	51.12	37.62
Electricity and Telephone Expense	9.77	8.11
Corporate social responsibility expenses (refer Note 35)	242.13	165.18
Rent and Facility Fees	177.23	105.21
Business Auxiliary Services	1.93	2.53
Bank Charges	144.22	111.57
Director Setting Fees	42.75	59.25
Annual and Subscription Fees	24.98	13.17
Filing Fee	103.68	34.77
Interest & penalty on statutory payments	68.74	20.37
Guarantee Fee	3,326.54	3,754.38
GST Input Credit expensed off	1,533.21	881.50
Miscellaneous Expenses	40.34	37.75
Total	15,184.99	11,050.13

28(a) Auditor's remuneration

Particulars	For the year March 31, 2026	For the year March 31, 2025
As auditor		
For statutory audit	10.00	8.28
For Limited Review/ Interim Audit	3.45	3.45
Total	13.45	11.73

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

29 Income Tax

The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025

Recorded in Statement of Profit & Loss Account

	For the year March 31, 2026	For the year March 31, 2025
Current income tax:		
Current income tax charge		
a) Pertaining to profit for the current period	3,649.45	3,024.89
b) Adjustment of tax relating to earlier periods	13.13	-
Deferred tax:		
Relating to the origination and reversal of temporary differences	(27.23)	224.31
Income tax expense reported in the statement of profit or loss	3,635.34	3,249.20
Other Comprehensive Income		
Income Tax relating to remeasurement gains/(losses) on defined benefit plans	7.20	1.38
Income tax expense reported in other comprehensive section	7.20	1.38

30 Earnings Per Share

Particulars	For the year March 31, 2026	For the year March 31, 2025
Following reflects the net profit and weighted average equity shares data used in EPS computation:		
Basic		
Weighted average number of equity shares for computation of Basic EPS (in Nos.)	31,67,49,317	31,59,93,998
Net profit for calculation of basic EPS (in Rs. Lakhs)	8,337.25	8,484.40
Basic earning per share (In Rs.)	2.63	2.68
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (in Nos.)	31,67,49,317	31,59,93,998
Net profit for calculation of Diluted EPS (in Rs. Lakhs)	8,337	8,484.40
Diluted earning per share (In Rs.)	2.63	2.68
Reconciliation of Weighted average number of shares outstanding		
Weighted average number of equity shares of computation of Basic EPS	31,67,49,317	31,59,93,998
Add : Dilutive potential equity shares	-	-
Weighted average number of equity shares of computation of Diluted EPS	31,67,49,317	31,59,93,998
Nominal value of equity shares (In Rs.)	10.00	10.00

Basic earning per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of share outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Note: There are no dilutive potential equity shares as the employees have been nominated by the Board of Directors of Akara Capital Advisors Private Limited. However, the stock option plan has been issued by the Holding Company over its own shares, Morus Technologies Pte. Ltd., and does not result in any dilution of equity in the Company.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

31. Employee Stock Option Plan

I. The Company has formulated share-based payment schemes for the Group employees - ("Plan"). Details of all grants in operation during the year ended March 31, 2026 are as given below:

Summary of Stock option liability with respect to Employees										
Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options Unvested**	Number of Options Surrendered	Number of Options Lapsed*	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2026
01-04-2017	4,763.54	215.00	215.00	-	-	-	01-04-2018	10.24	-	10.24
01-10-2017	4,807.07	215.00	215.00	-	-	-	01-10-2018	10.34	-	10.34
01-04-2018	5,516.65	17.00	17.00	-	-	-	01-04-2019	0.94	-	0.94
01-10-2018	6,181.75	35.00	35.00	-	-	-	01-10-2019	2.16	-	2.16
01-04-2019	7,680.12	460.00	454.00	-	-	6.00	01-04-2020	34.87	-	34.87
01-10-2019	7,856.94	30.00	30.00	-	-	-	01-10-2020	2.36	-	2.36
01-04-2021	10,535.13	719.00	387.00	-	-	332.00	01-04-2022	40.77	-	40.77
01-10-2021	10,670.97	53.00	53.00	-	-	-	01-10-2022	5.66	-	5.66
01-04-2022	45,840.69	306.00	78.00	8.00	-	220.00	01-04-2023	35.76	1.50	37.26
12-09-2022	61,213.44	158.00	31.00	-	-	127.00	12-09-2023	18.98	-	18.98
01-10-2022	62,799.27	149.00	49.00	23.00	-	77.00	01-10-2023	30.77	5.17	35.94
21-11-2022	62,845.04	460.00	92.00	-	-	368.00	21-11-2023	28.15	-	28.15
01-04-2023	63,267.56	15.00	8.00	7.00	-	-	01-10-2024	5.06	1.73	6.79
03-04-2023	63,267.56	475.00	-	-	-	475.00	03-04-2024	-	-	-
11-07-2023	63,482.72	8.00	4.00	4.00	-	-	11-01-2025	2.54	0.88	3.42
01-08-2023	63,358.83	76.00	-	-	-	76.00	01-02-2025	-	-	-
10-08-2023	63,757.11	8.00	-	-	-	8.00	10-02-2025	-	-	-
14-08-2023	64,023.96	8.00	2.00	-	-	6.00	14-02-2025	0.32	-	0.32
29-08-2023	63,650.21	26.00	14.00	12.00	-	-	28-02-2025	8.91	2.67	11.58
18-09-2023	64,026.03	39.00	-	-	-	39.00	18-03-2025	-	-	-
01-10-2023	64,107.56	39.00	15.00	24.00	-	-	01-10-2024	9.62	5.24	14.86
03-10-2023	64,124.96	31.00	-	-	-	31.00	03-04-2025	-	-	-
16-10-2023	64,156.99	117.00	46.00	-	-	71.00	16-04-2025	29.51	-	29.51
25-10-2023	63,958.97	383.00	-	-	-	383.00	25-04-2025	-	-	-
06-11-2023	64,054.22	11.00	-	-	-	11.00	06-05-2025	-	-	-
06-12-2023	64,197.56	66.00	-	-	-	66.00	06-06-2025	-	-	-
08-01-2024	63,990.35	230.00	69.00	-	-	161.00	08-07-2025	44.15	-	44.15
15-01-2024	63,791.91	77.00	-	-	-	77.00	15-07-2025	-	-	-
18-03-2024	63,837.57	115.00	-	-	-	115.00	18-09-2025	-	-	-
01-04-2024	61,339.40	932.00	163.00	426.00	-	343.00	01-04-2025	99.98	88.59	188.57
02-04-2024	61,321.09	38.00	11.00	27.00	-	-	02-04-2025	6.75	5.14	11.88
22-04-2024	61,330.06	383.00	-	-	-	383.00	22-10-2025	-	-	-
29-04-2024	61,364.56	92.00	-	-	-	92.00	29-10-2025	-	-	-
01-05-2024	61,385.45	77.00	-	-	-	77.00	01-11-2025	-	-	-
27-05-2024	61,118.80	26.00	7.00	19.00	-	-	27-11-2025	4.28	3.91	8.19
10-06-2024	61,439.96	115.00	-	-	-	115.00	10-12-2025	-	-	-
17-06-2024	61,439.52	15.00	-	-	-	15.00	17-12-2025	-	-	-
02-07-2024	61,403.99	207.00	-	-	-	207.00	02-01-2026	-	-	-

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options Unvested#	Number of Options Surrendered	Number of Options Lapsed*	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2026
08-07-2024	61,395.09	153.00	-	-	-	153.00	08-01-2026	-	-	-
22-07-2024	61,571.96	115.00	-	-	-	115.00	22-01-2026	-	-	-
29-07-2024	61,602.49	76.00	-	-	-	76.00	29-01-2026	-	-	-
26-08-2024	61,672.12	108.00	-	-	-	108.00	26-02-2026	-	-	-
30-09-2024	61,618.17	92.00	-	-	-	92.00	30-03-2026	-	-	-
01-10-2024	61,688.12	31.00	-	-	-	31.00	01-10-2025	-	-	-
14-10-2024	61,875.18	230.00	-	-	-	230.00	14-04-2026	-	-	-
16-10-2024	61,829.87	115.00	23.00	-	-	92.00	16-10-2025	14.22	-	14.22
21-11-2024	62,108.51	3.00	-	3.00	-	-	21-05-2026	-	0.50	0.50
01-12-2024	62,257.03	59.00	11.00	48.00	-	-	01-12-2025	6.85	-	6.85
16-12-2024	62,415.18	230.00	-	-	-	230.00	16-06-2026	-	-	-
02-01-2025	63,169.53	15.00	-	-	-	15.00	02-07-2026	-	-	-
06-01-2025	63,084.57	443.00	-	-	-	443.00	06-07-2026	-	-	-
09-01-2025	63,196.38	7.00	-	-	-	7.00	09-07-2026	-	-	-
10-01-2025	63,297.08	52.00	3.00	38.00	-	11.00	10-01-2026	1.90	-	1.90
16-01-2025	63,640.71	170.00	-	-	-	170.00	16-07-2026	-	5.74	5.74
13-02-2025	63,859.36	15.00	-	-	-	15.00	13-08-2026	-	-	-
19-02-2025	63,917.77	192.00	-	-	-	192.00	19-08-2026	-	-	-
01-04-2025	37,739.25	224.00	-	156.00	-	68.00	01-10-2025	-	13.77	13.77
03-04-2025	37,729.57	44.00	-	-	-	44.00	03-10-2026	-	-	-
14-04-2025	37,984.21	230.00	-	-	-	230.00	14-04-2026	-	-	-
21-04-2025	37,645.16	369.00	-	369.00	-	-	21-10-2026	-	34.74	34.74
24-04-2025	37,674.51	30.00	-	-	-	30.00	24-10-2026	-	-	-
29-04-2025	37,627.06	15.00	-	15.00	-	-	29-04-2026	-	1.49	1.49
15-05-2025	37,719.41	31.00	-	-	-	31.00	15-05-2026	-	-	-
05-06-2025	37,907.01	15.00	-	-	-	15.00	05-06-2026	-	-	-
09-06-2025	37,829.36	283.01	-	283.01	-	-	09-12-2026	-	-	-
11-06-2025	37,735.59	103.00	-	103.00	-	-	11-06-2026	-	20.21	20.21
19-06-2025	38,223.95	14.00	-	14.00	-	-	19-06-2026	-	9.11	9.11
30-06-2025	37,778.46	29.40	-	29.40	-	-	30-12-2026	-	1.06	1.06
03-07-2025	37,738.33	73.00	-	29.00	-	44.00	03-07-2026	-	2.13	2.13
04-07-2025	37,762.89	7.00	-	-	-	7.00	04-07-2026	-	2.28	2.28
10-07-2025	37,835.12	118.00	-	-	-	118.00	10-07-2026	-	-	-
17-07-2025	37,938.57	7.00	-	7.00	-	-	17-07-2026	-	0.48	0.48
05-08-2025	38,754.10	22.00	-	22.00	-	-	05-02-2027	-	1.40	1.40
12-08-2025	38,679.38	21.49	-	21.49	-	-	12-02-2027	-	1.34	1.34
13-08-2025	38,631.19	163.00	-	15.00	-	148.00	13-08-2026	-	1.05	1.05
19-08-2025	38,480.42	242.23	-	213.32	-	28.91	19-02-2027	-	13.09	13.09
02-09-2025	38,839.24	20.86	-	13.91	-	6.95	02-03-2027	-	0.80	0.80
13-09-2025	38,927.51	98.00	-	74.00	-	24.00	13-09-2026	-	4.56	4.56
27-09-2025	39,143.29	44.00	-	-	-	44.00	27-09-2026	-	-	-



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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options Unvested#	Number of Options Surrendered	Number of Options Lapsed*	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2026
01-10-2025	39,137.95	39.00	-	39.00	-	-	01-04-2027	-	1.95	1.95
14-10-2025	39,187.78	6.95	-	6.95	-	-	14-04-2027	-	0.34	0.34
28-10-2025	38,969.44	208.65	-	208.65	-	-	28-04-2027	-	8.79	8.79
10-11-2025	39,137.20	1,112.81	-	1,112.81	-	-	10-05-2027	-	43.19	43.19
25-11-2025	39,377.82	6.95	-	-	-	6.95	25-05-2027	-	-	-
04-12-2025	39,803.81	27.82	-	27.82	-	-	04-06-2027	-	-	-
09-12-2025	39,705.79	13.90	-	13.90	-	-	09-06-2027	-	0.91	0.91
01-01-2026	39,712.32	84.20	-	84.20	-	-	01-01-2027	-	0.46	0.46
06-01-2026	39,801.38	97.37	-	97.37	-	69.55	06-07-2027	-	2.03	2.03
20-01-2026	40,178.56	13.90	-	13.90	-	-	20-07-2027	-	0.65	0.65
27-01-2026	40,526.70	20.86	-	20.86	-	-	27-07-2027	-	0.29	0.29
01-02-2026	40,447.21	0.58	-	0.58	-	-	01-08-2027	-	0.38	0.38
06-02-2026	39,905.23	13.92	-	13.92	-	-	06-08-2027	-	0.00	0.00
10-02-2026	39,976.29	44.34	-	44.34	-	-	10-08-2027	-	0.21	0.21
15-02-2026	40,035.96	34.77	-	-	-	34.77	15-08-2027	-	0.61	0.61
17-02-2026	40,063.28	47.09	-	47.09	-	-	17-08-2027	-	-	-
22-02-2026	40,050.79	25.03	-	25.03	-	-	22-08-2027	-	0.56	0.56
08-03-2026	40,720.67	20.86	-	20.86	-	-	08-09-2027	-	0.26	0.26
10-03-2026	40,611.88	5.46	-	5.46	-	-	10-09-2027	-	0.13	0.13
15-03-2026	40,779.24	6.95	-	-	-	6.95	15-09-2027	-	0.03	0.03
22-03-2026	41,441.88	6.95	-	6.95	-	-	22-09-2027	-	-	-
29-03-2026	41,775.68	76.50	-	13.91	-	62.59	29-09-2027	-	0.02	0.02
Total								455.06	297.09	752.15

*Options lapse as the grant holder leaves the organisation, accordingly expense is not recorded for the same.

**The expense for unvested options has been recognised as a proportion of days till reporting date out of total vesting period for those accepted by the respective employees.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Details of all grants in operation during the year ended March 31, 2025 are as given below:

Summary of Stock option liability with respect to Employees										
Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options Unvested**	Number of Options Surrendered	Number of Options Lapsed*	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2025
01-04-2017	4,763.54	268.00	268.00	-	-	-	01-04-2018	10.24	-	10.24
01-10-2017	4,807.07	215.00	215.00	-	-	-	01-10-2018	10.34	-	10.34
01-04-2018	5,516.65	17.00	17.00	-	-	-	01-04-2019	0.94	-	0.94
01-10-2018	6,181.75	70.00	70.00	-	-	-	01-10-2019	-	-	-
01-04-2019	7,680.12	571.00	571.00	-	-	6.00	01-04-2020	33.10	-	33.10
01-10-2019	7,856.94	53.00	53.00	-	-	-	01-10-2020	2.36	-	2.36
01-04-2021	10,535.13	1,051.00	1,051.00	110.00	-	430.00	01-04-2022	24.23	2.26	26.49
01-10-2021	10,670.97	780.00	181.00	16.00	-	583.00	01-10-2022	2.37	0.42	2.79
01-04-2022	45,840.69	87.00	87.00	41.00	-	690.00	01-04-2023	26.13	4.18	30.31
12-09-2022	61,213.44	158.00	31.00	-	-	127.00	12-09-2023	18.98	-	18.98
01-10-2022	62,799.27	185.00	42.00	66.00	-	77.00	01-10-2023	3.30	5.00	8.30
21-11-2022	62,845.04	460.00	92.00	-	230.00	138.00	21-11-2023	-	-	-
01-04-2023	63,267.56	15.00	4.00	11.00	-	-	01-10-2024	2.53	2.52	5.05
03-04-2023	63,482.72	8.00	2.00	6.00	117.00	358.00	03-04-2024	-	-	-
11-07-2023	63,358.83	76.00	-	-	-	76.00	11-01-2025	1.27	1.15	2.42
10-08-2023	63,757.11	8.00	-	-	-	8.00	10-02-2025	-	-	-
14-08-2023	64,023.96	8.00	2.00	-	-	6.00	14-02-2025	0.32	-	0.32
29-08-2023	63,650.21	26.00	7.00	19.00	-	-	28-02-2025	4.46	3.51	7.96
18-09-2023	64,026.03	39.00	-	-	-	39.00	18-03-2025	-	-	-
01-10-2023	64,107.56	39.00	7.00	32.00	-	-	01-10-2024	2.24	3.73	5.97
03-10-2023	64,124.96	31.00	-	-	-	31.00	03-04-2025	-	-	-
16-10-2023	64,156.99	117.00	-	117.00	-	-	16-04-2025	-	-	-
25-10-2023	63,958.97	383.00	-	-	-	383.00	25-04-2025	-	9.85	9.85
06-11-2023	64,054.22	11.00	-	-	-	11.00	06-05-2025	-	-	-
06-12-2023	64,197.56	66.00	-	-	-	66.00	06-06-2025	-	-	-
08-01-2024	63,990.35	230.00	-	230.00	-	-	08-07-2025	-	-	-
15-01-2024	63,791.91	77.00	-	-	-	77.00	15-07-2025	-	39.06	39.06
18-03-2024	63,837.57	115.00	-	-	-	115.00	18-09-2025	-	-	-
01-04-2024	61,339.40	1,149.00	-	1,020.00	-	129.00	01-04-2025	-	66.72	66.72
02-04-2024	61,321.09	45.00	-	45.00	-	-	02-04-2025	-	0.34	0.34
22-04-2024	61,330.06	383.00	-	-	-	383.00	22-10-2025	-	-	-
29-04-2024	61,364.56	92.00	-	-	-	92.00	29-10-2025	-	-	-
01-05-2024	61,385.45	77.00	-	-	-	77.00	01-11-2025	-	-	-
27-05-2024	61,118.80	26.00	-	26.00	-	-	27-11-2025	-	3.47	3.47
10-06-2024	61,439.96	115.00	-	-	-	115.00	10-12-2025	-	-	-
17-06-2024	61,439.52	15.00	-	-	-	15.00	17-12-2025	-	-	-
02-07-2024	61,403.99	207.00	-	207.00	-	-	02-01-2026	-	25.08	25.08



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options Unvested#	Number of Options Surrendered	Number of Options Lapsed*	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2025
08-07-2024	61,395.09	153.00	-	-	-	153.00	08-01-2026	-	-	-
22-07-2024	61,571.96	268.00	-	153.00	-	115.00	22-01-2026	-	12.36	12.36
29-07-2024	61,602.49	76.00	-	76.00	-	-	29-01-2026	-	8.26	8.26
26-08-2024	61,672.12	108.00	-	-	-	108.00	26-02-2026	-	-	-
30-09-2024	61,618.17	92.00	-	92.00	-	-	30-03-2026	-	7.47	7.47
01-10-2024	61,688.12	31.00	-	31.00	-	-	01-10-2025	-	2.75	2.75
14-10-2024	61,875.18	230.00	-	230.00	-	-	14-04-2026	-	17.43	17.43
16-10-2024	61,829.87	115.00	-	115.00	-	-	16-10-2025	-	9.53	9.53
21-11-2024	62,108.51	3.00	-	3.00	-	-	21-05-2026	-	0.13	0.13
01-12-2024	62,257.03	59.00	-	59.00	-	-	01-12-2025	-	3.49	3.49
16-12-2024	62,415.18	230.00	-	230.00	-	-	16-06-2026	-	10.99	10.99
02-01-2025	63,169.53	15.00	-	15.00	-	-	02-07-2026	-	0.59	0.59
06-01-2025	63,084.57	443.00	-	443.00	-	-	06-07-2026	-	17.12	17.12
09-01-2025	63,196.38	7.00	-	7.00	-	-	09-07-2026	-	0.23	0.23
10-01-2025	63,297.08	133.00	-	105.00	-	28.00	10-01-2026	-	3.36	3.36
16-01-2025	63,640.71	170.00	-	52.00	-	118.00	16-07-2026	-	1.76	1.76
13-02-2025	63,859.36	15.00	-	15.00	-	-	13-08-2026	-	0.31	0.31
19-02-2025	63,917.77	192.00	-	192.00	-	-	19-08-2026	-	3.57	3.57
Total								142.79	266.65	409.45

*Options lapse as the grant holder leaves the organisation, accordingly expense is not recorded for the same.

**The expense for unvested options has been recognised as a proportion of days till reporting date out of total vesting period for those accepted by the respective employees.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Summary of Stock option liability with respect to Founders for the year ended March 31, 2026

Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options Unvested**	Number of Options Surrendered	Number of Options Lapsed*	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2026
01-10-2016	4,888.18	23,759.00	23,759.00	-	-	-	31-03-2018	1,161.38	-	1,161.38
01-06-2020	10,832.12	10,814.00	10,814.00	-	-	-	30-11-2021	1,171.39	-	1,171.39
01-09-2022	61,127.44	9,097.00	6,368.00	2,729.00	-	-	29-02-2024	3,892.60	1,493.35	5,385.95
		Total						6,225.36	1,493.35	7,718.72

Summary of Stock option liability with respect to Founders for the year ended March 31, 2025

Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options Unvested**	Number of Options Surrendered	Number of Options Lapsed*	First vesting date	Liability with respect to vested options (INR in Lakhs)	Liability with respect to unvested options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2025
01-10-2016	4,891.86	23,759.20	23,759.20	-	-	-	31-03-2018	1,162.27	-	1,162.27
01-06-2020	10,832.12	10,814.31	10,814.31	-	-	-	30-11-2021	1,171.42	-	1,171.42
01-09-2022	61,383.82	9,096.62	3,638.62	5,458.00	-	-	29-02-2024	2,233.54	2,499.35	4,732.89
		Total						4,567.23	2,499.35	7,066.58

*Options lapse as the grant holder leaves the organisation, accordingly expense is not recorded for the same.

**The expense for unvested options has been recognised as a proportion of days till reporting date out of total vesting period for those accepted by the respective employees.

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

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

Exercise price per option

The Exercise Price shall be as may be determined by the Administrator at the time of Grant of Options provided that the Exercise Price shall not be more than the Fair Market Value of the Shares as on the date of Grant of Options.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

II. Reconciliation of Options Expense and Liability

Particulars	Value
Options Granted during FY 24-25	3,933
Granted Options Tranferred from fellow subsidiary during FY 24-25	3,051
Options Tranferred from fellow subsidiary - vested prior to FY 24-25	889
Options Vested during FY 24-25	2,857
Options Surrendered during FY 24-25	-
Expense to be booked till reporting March 25-Employees (In Rs. Lakhs)	409.45
Expense to be booked till reporting March 25-Founders (In Rs. Lakhs)	7,066.58
Differential Expense Booked in FY 24-25 (In Rs. Lakhs)	1,440.02
Total Liability as on 31st March 2025 (In Rs. Lakhs)	7,476.02
Options Granted during FY 25-26	4,119
Options Vested during FY 25-26	3,200
Options Surrendered during FY 25-26	-
Expense to be booked till reporting March 26-Employees (In Rs. Lakhs)	752.15
Expense to be booked till reporting March 26-Founders (In Rs. Lakhs)	7,718.72
Differential Expense Booked in FY 25-26 (In Rs. Lakhs)	994.85
Total Liability as on 31st March 2025 (In Rs. Lakhs)	8,470.87

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

32 Employee Benefits

Retirement Benefit Plan

A. Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Employees' Provident Fund and Employees' State Insurance schemes, which are defined contribution plans. The contributions are charged to the statement of profit and loss as they accrue.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to recognized provident fund	91.89	66.54
Contribution to Labour Welfare Fund (LWF)	1.86	-
Total	93.75	66.54

B.1. Defined Benefit Plan-Gratuity

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

Net employee benefit expense recognized in the employee cost

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	24.36	15.00
Interest cost	6.17	4.74
Past Service Cost	-	-
Expected return on plan asset*	-	-
Net expense	30.53	19.74

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

Net defined benefit liability

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Present value of defined benefit obligation	111.02	79.60
Fair value of plan assets*	-	-
Plan liability	111.02	79.60

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

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening defined benefit obligation	79.60	44.99
Liability Transferred	-	39.38
Current service cost	24.36	15.00
Interest cost	6.17	4.74
Benefits paid during the year	(11.91)	(24.12)
Remeasurement (gain)/loss on obligation	12.80	(0.39)
Closing defined benefit obligation	111.02	79.60

The principle assumptions used in determining gratuity obligations for the Company are shown below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	7.75%	7.00%
Salary escalation rate	25.00%	25.00%
Attrition / Withdrawal Rate (perAnnum)	45.00% p.a.	45.00% p.a.
Mortality	IALM 2012-14	IALM 2012-14

Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table.

Rates at specimen ages are tabulated below:

Age (Years)	Rates	Age (Years)	Rates	Age (Years)	Rates
20	0.000924	35	0.001202	50	0.004436
25	0.000931	40	0.00168	55	0.007513
30	0.000977	45	0.002579	60	0.011162

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Sensitivity Analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2026	As at March 31, 2025	
		For Original Employees	For Transferred Employees
a) Effect of 1% change in assumed discount rate			
-1% increase	-2.00%	-1.00%	-3.00%
-1% decrease	2.00%	2.00%	3.00%
b) Effect of 1% change in assumed salary escalation rate			
- 1% increase	2.00%	1.00%	2.00%
-1% decrease	-2.00%	-1.00%	-2.00%
c) Effect of 1% change in assumed withdrawal rate			
-1% increase	-2.00%	-1.00%	-2.00%
-1% decrease	2.00%	2.00%	2.00%

B.2. Defined Benefit Plan- Earned Leave Plans

The following tables summarize the components of net benefits expense recognized in the statement of profit and loss and amounts recognized in the balance sheet.

Net employee benefit expense recognized in the employee cost

Particulars	As at March 31, 2026	As at March 31, 2025
Current service cost	59.24	40.95
Interest cost	5.11	2.50
Benefits paid during the year	(42.44)	(28.14)
Net expense	21.92	15.31

Net defined benefit liability

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	103.71	65.99
Fair value of plan assets*	-	-
Plan liability	103.71	65.99

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

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening defined benefit obligation	65.99	22.20
Liability Transferred	-	22.60
Current service cost	59.24	40.95
Interest cost	5.11	2.50
Benefits paid during the year	(42.44)	(28.14)
Remeasurement (gain)/loss on obligation	15.81	5.87
Closing defined benefit obligation	103.71	65.99

The principle assumptions used in determining Compensated Absences obligations for the Company are shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.75%	7.00%
Salary escalation rate	25.00%	25.00%
Attrition / Withdrawal Rate (perAnnum)	45.00% p.a.	45.00% p.a.
Mortality	IALM 2012-14	IALM 2012-14

Mortality is used as per Published rates under Indian Assured Lives Mortality (2012-2014) table.

Rates at specimen ages are tabulated below:

Age (Years)	Rates	Age (Years)	Rates	Age (Years)	Rates
20	0.000924	35	0.001202	50	0.004436
25	0.000931	40	0.00168	55	0.007513
30	0.000977	45	0.002579	60	0.011162

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

Sensitivity Analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2026	As at March 31, 2025	
		For Original Employees	For Transferred Employees
a) Effect of 1% change in assumed discount rate			
- 1% increase	-2.00%	-3.00%	-3.00%
- 1% decrease	3.00%	3.00%	3.00%
b) Effect of 1% change in assumed salary escalation rate			
- 1% increase	2.00%	2.00%	2.00%
- 1% decrease	-2.00%	-2.00%	-2.00%
c) Effect of 1% change in assumed withdrawal rate			
- 1% increase	-1.00%	-1.00%	-1.00%
- 1% decrease	1.00%	1.00%	1.00%

Amount Recognised in Statement of Profit and Loss

	As at March 31, 2026	As at March 31, 2025
- Gratuity	30.53	21.96
- Leave Encashment	64.36	38.68

Amount Recognised in Statement of OCI

	As at March 31, 2026	As at March 31, 2025
- Gratuity	(12.80)	(0.39)
- Leave Encashment	(15.81)	5.87

Amount Recognised in Balance Sheet :

	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the end		
- Gratuity	111.02	79.60
- Leave Encashment	103.71	65.99

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

33 Segment information

The Company's principal business is to provide financing to its customers to meet their cash flow requirements. All other activities revolve around this core business. The Company operates entirely within India and does not have any geographic segments. Further, the Company has not earned any income in foreign currency during the year. The Company also does not derive revenue from any single customer amounting to 10 percent or more of its total revenue. Accordingly, there are no separate reportable segments as per Ind AS 108 – "Segment Reporting".

34 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid/ payable are furnished below:

Particulars	For the year March 31, 2026	For the year March 31, 2025
(a) The principal amount remaining unpaid to any supplier as at the end of the year;	150.59	393.62
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year;	1.60	3.06
(c) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year;	-	-
(d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act;	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

35 Disclosure on Corporate Social responsibility

In terms of Section 135 of The Companies Act, 2013, the company is required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors and the Company has to spend 2% of the average net profits of the company's three immediately preceding financial years calculated as per section 198 of the Companies Act 2013. In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified w.e.f. 22.01.2021, any unspent amount pursuant to any ongoing project shall be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilized within a period of three financial years from the date of such transfer. Any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified under Schedule VII, within a period of six months of the expiry of the financial year. Further, if the company spends an amount in excess of the requirement under statute, the excess amount may be carried forward and set off in three succeeding financial years against the amount to be spent.

Details of Corporate Social Responsibility (CSR)

Particulars	For the year March 31, 2026	For the year March 31, 2025
a) Gross amount required to be spent by the Company for respective financial year	242.13	165.18
a.1) Amount approved by Board for CSR expenditure	242.13	165.18
b) Amount spent during the year	242.13	165.18
c) Shortfall / (Excess) at the end of the year (a-b)	-	-
d) Carried Forward (Excess) CSR spends from previous years	(0.67)	(0.67)
e) Adjustment of Excess Amount spent previously in Current year	-	-
f) Total Shortfall / (Excess) spends carried forward at the year-end	(0.67)	(0.67)

Details of Unspent Amount

Particulars	For the year March 31, 2026	For the year March 31, 2025
a) Opening balance	-	-
b) Amount spent during the year	-	-
c) Total Shortfall / (Excess) spends carried forward at the year-end	-	-

Details of Amount spent in excess

Particulars	For the year March 31, 2026	For the year March 31, 2025
a) Opening balance	0.67	0.67
b) Amount excess spent / (adjusted) during the year	-	-
c) Total Excess spends carried forward at the year-end	0.67	0.67

Amount spent during the year on CSR activities

Particulars	For the year March 31, 2026			For the year March 31, 2025		
	Paid or Settled	Yet to be paid	Total	Paid or Settled	Yet to be paid	Total
a) Academic support centres for basic education of specially abled kids	48.58	-	48.58	30.00	-	30.00
b) Project of Birds and Animals Hospital, Women Empowerment, Ayurved and Naturopathy Empowerment	138.02	-	138.02	135.18	-	135.18
c) Promotion of Veganism and Vegan food, welfare of animals, welfare of old age people, children welfare, women empowerment, mentally retarded people, against child labor, rehabilitation, bonded labor, disabled people, welfare of poor children, home for old people, and orphanage	55.53	-	55.53	-	-	-
Total	242.13	-	242.13	165.18	-	165.18

36 Related party disclosures

Policy adopted by company in relation to Related Party transaction

Identification and Approval of Potential Related Party Transactions

All Related Party Transactions defined/ stipulated under the Companies Act, 2013 shall require prior approval of the Audit Committee. For identification of the Related Parties, the Secretarial function shall prepare/ update a Related Parties (RP) list basis intimation received from the Directors / KMPs or changes in corporate or investment structure, as informed from time to time. Each director and Key Managerial Personnel shall be responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. The Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction and approve or ratify such transaction.

Omnibus Approval

The Audit Committee may grant omnibus approval, on an annual basis, for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- The Audit Committee shall lay down the criteria for granting the omnibus approval, and such approval shall be applicable in respect of transactions which are repetitive in nature.
- The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.
- Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit.

Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company and/or any other transaction the Audit Committee may deem not fit for omnibus approval.

The company follows a practice to get omnibus approval from audit committee for transactions entered into by it in the ordinary course of business at the beginning of each financial year. The policy on related party transactions as approved by the Board is available on the website of the Company (web link: <https://www.akaracorp.com/investor-relations>).

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
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Review and Approval of Related Party Transactions

Related Party Transactions are referred to the next regularly scheduled meeting of the Audit Committee for review /noting and/ or approval as above.

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

- i. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- ii. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

All transactions with the related parties are at Arm's length.

In any case, where the Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.

a. Names of related parties identified in accordance with IND AS -24 are given below :

1. Entities where control exists:	Morus Technologies Pte Ltd, Holding Company
2. Fellow subsidiaries	EQX Analytics Private Limited Titanium Fortune Financial Services Private Limited
3. Companies with Common Directorship	Drupe Finance IFSC Private Limited Platinum Industries Limited Paisalo Digital Limited Integro Finserv Private Limited N R Agarwal Industries Limited (till 20-09-2024) Santra Digital Services Private Limited (Strike Off)
4. Key Managerial Personnel	
Managing Director	Tushar Aggarwal
Director	Shruti Aggarwal
Company Secretary	Simarjeet Singh (w.e.f. 31-01-2025)
Chief Financial Officer (CFO)	Ashish Singh (w.e.f. 30-04-2024 till 3-11-2024)
5. Independent Director/Non Executive Directors	Pankaj Kumar Radhakrishnan Ramachandra Iyer Vijay Jasuja Vijay Ronjan
6. Enterprises owned or significantly influenced by Key Managerial Personnel or their relatives	Botlaguduru Srinivas (Additional Director w.e.f. 24-12-2025 & Independent Director w.e.f. 01-01-2026.) Star Shine Partners Vishuv Invest Private Limited (under directorship of KMP of company w.e.f. 30-09-2025)

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

1. Shares issued during the year to related party

Equity Share Capital	For the year March 31, 2026	For the year March 31, 2025
Morus Technologies Pte Ltd		
Issue of equity shares	326.31	-
Securities premium received	3,559.99	-

2. Other Transactions

A. Transactions with the related parties other than key management personnel during the year:

Particulars	Nature of transaction	For the year March 31, 2026	For the year March 31, 2025
Morus Technologies Pte Ltd	Foreign Loan received from Holding Company (ECB)	5,798.31	15,392.34
	Interest Expense on Foreign Loan	6,166.14	4,478.94
	Commission on Corporate Guarantee*	35.00	376.65
EQX Analytics Private Limited	Lead Generation Expenses	3,624.42	1,727.32
	Reimbursement of expenses	5.65	1.94
	Bad Debt Recovery on behalf of EQX Analytics Private Limited**	345.35	596.77
	Infra Sharing Expenses	155.70	83.85
	Compensation for employee benefits of transferred employees	-	73.85
	Commission on Corporate Guarantee*	1,259.79	675.65
	Rental Income	7.50	1.25
	Customer collections received on behalf of EQX Analytics Private Limited	61.08	77.00
	Manpower Services Income for Intangible Asset Capitalisation	918.84	-
	Dialer services fee received on behalf of EQX Analytics Private Limited	63.35	5.76
Titanium Fortune Financial Services Private Limited	Loan Taken	510.00	335.00
	Loan Repaid	510.00	335.00
	Interest on Loan Taken	1.65	7.22
Vishuv Invest Private Limited	Loan Taken	191.00	225.00
	Loan Repaid	191.00	225.00
	Interest on Loan Taken	0.06	1.17
	Investment in the listed NCDs of the company (Face Value)***	235.00	-
	Interest paid on listed NCDs***	9.63	-

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

* The commission on corporate guarantee for the Previous year ended 31st March 2025 includes amounts pertaining to the previous year ended 31st March 2024, which have been accounted for in the current year.

These include ₹217.96 lakhs related to EQX Analytics Private Limited and ₹189.06 lakhs related to Morus Technologies Pte Ltd.

**Represents repayments received from customers against loans for which EQX Analytics Private Limited had provided First Loss Default Guarantee (FLDG), prior to the issuance of the Reserve Bank of India's Guidelines on Default Loss Guarantee (DLG) in Digital Lending dated 08th June 2023.

***Vishuv Invest Private Limited has invested in the Non-Convertible Debentures issued by the Company through the BSE electronic platform. Interest expense on such debentures has been recognised and paid/payable in accordance with the applicable terms of issue.



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
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B. Transactions with the key management personnel during the year:

Particulars	Nature of transaction	For the year March 31, 2026	For the year March 31, 2025
Shruti Aggarwal	Managerial remuneration	8.59	51.56
	Reimbursement of Expenses	13.12	12.00
	Referral Incentives	0.10	-
	Loan Taken	-	45.00
	Loan Repaid	-	45.00
	Interest on Loan Taken	-	0.23
	Share based payment expense	652.14	1,203.36
		673.95	1,357.15
Radhakrishnan Ramachandra Iyer	Directors sitting fees	13.50	19.50
		13.50	19.50
Vijay Jasuja	Directors sitting fees	14.25	20.25
		14.25	20.25
Vijay Ronjan	Directors sitting fees	12.38	19.50
		12.38	19.50
Srinivas Botlaguduru	Directors sitting fees	2.63	-
		2.63	-
Ashish Singh	Managerial remuneration	-	9.29
		-	9.29
Simarjeet Singh	Managerial remuneration	20.05	3.20
		20.05	3.20
Pankaj Kumar	Managerial remuneration	42.28	30.85
		42.28	30.85

3. Balance outstanding at year end for related parties other than Key Management Personnel

Particulars	Nature of transaction	For the year March 31, 2026	For the year March 31, 2025
Morus Technologies Pte Ltd	Foreign Loan received from Holding Company (ECB)*	67,061.19	55,028.84
	Interest Payable on Foreign Loan	525.37	409.94
	Excess TDS Deduction to be settled with Morus	-	474.19
	Equity Capital	31,925.70	31,599.39
	Share Premium Balance	18,655.26	15,095.27
	Commission on Corporate Guarantee Payable	5.00	338.98
EQX Analytics Private Limited	Income and other balances Payable	-	998.47
	Income and other balances receivable	957.77	-
Titanium Fortune Financial Services Private Limited	Loan Payable	-	-
	Interest on loan payable	-	-
Vishuv Invest Private Limited	Loan Payable	-	-
	Interest on loan payable	-	-
	Investment in the listed NCDs of the company (Face Value)	-	-

* The balance of ECB as on 31 March, 2026 includes revaluation reserve of Rs. 8,369.80 Lakhs (31st March, 2025 - Rs. 2,135.77 Lakhs)

4. Balance outstanding at year end for Key Management Personnel

Particulars	Nature of transaction	For the year March 31, 2026	For the year March 31, 2025
Radhakrishnan Ramachandra Iyer	Directors sitting fees	-	1.01
		-	1.01
Vijay Jasuja	Directors sitting fees	-	1.69
		-	1.69
Vijay Ronjan	Directors sitting fees	-	1.69
		-	1.69
Srinivas Botlaguduru	Directors sitting fees	-	-
		-	-
Shruti Aggarwal	Managerial remuneration	-	3.05
		-	3.05
Simarjeet Singh	Managerial remuneration	1.42	1.57
		1.42	1.57
Pankaj Kumar	Managerial remuneration	4.27	3.04
		4.27	3.04

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Akara Capital Advisors Private Limited
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37 Disclosure in respect of Indian Accounting standard (Ind AS)-116 "Leases"

a) Description of lease accounted as Right of Use assets as per Ind AS 116

The company has lease contracts for Vehicle taken on lease. The lease terms is 3 years. The Company has applied the measurement principles under Ind AS 116 for the leases.

b) The carrying amounts of right-to-use assets recognized and the movements during the period are as follows:

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	20.02	12.86
Additions made during the year*	1.56	14.18
Depreciation charge for the year	(10.21)	(7.02)
Deletion made during the year	-	-
Balance at the end of the year	11.36	20.02

c) The carrying amounts of lease liabilities and the movements during the period are as follows:

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	21.07	13.73
Additions made during the year*	1.56	14.18
Interest accretion for the year	2.41	1.85
Payments made during the year	12.86	8.69
Deletion made during the year	-	-
Balance at the end of the year	12.19	21.07

*The addition to Right-of-Use (ROU) asset during FY 2025-26 is due to changes in the lease terms during the year.

d) The following are the amounts recognized in profit and loss :

Particulars	March 31, 2026	March 31, 2025
Depreciation expense in respect of right-to-use asset	10.21	7.02
Interest expense in respect of lease liabilities	2.41	1.85
Expense relating to short-term leases (included on other expenses)	-	6.21
Amount relating to equalization reserve	-	-
Total amount recognized in profit or loss	12.62	15.08

e) Maturity Analysis of Lease Liability

Tenure	As at March 31, 2026	As at March 31, 2025
<1 Year	3.76	10.25
1-2 Years	4.33	3.34
2-3 Years	4.10	3.84
3-4 Years	-	3.64
Total	12.19	21.07

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

38. Credit Quality of assets

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Details of companies risk assesment model are explained in Note 55.

38.1 Loan Books

An analysis of risk categorisation, changes in gross carrying amount and the corresponding ECL allowances

38.1.1 Analysis of risk categorisation

Particulars	March 31, 2026			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount	2,42,603.89	24,043.96	12,202.68	2,78,850.53
Less: Impairment Loss Allowance *	2,281.54	3,346.34	8,827.41	14,455.29
Net Carrying Amount	2,40,322.35	20,697.62	3,375.27	2,64,395.24

Particulars	March 31, 2025			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount	1,27,802.43	28,946.75	7,477.81	1,64,226.99
Less: Impairment Loss Allowance *	911.13	4,142.73	4,871.83	9,925.69
Net Carrying Amount	1,26,891.30	24,804.01	2,605.98	1,54,301.30

*The above Impairment Loss Allowance is exclusive of Impairment Loss Allowance on FLDG Recoverable

38.1.2. Reconciliation of gross carrying amount is as follows:

Particulars	March 31, 2026			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at April 01, 2025	1,27,802.43	28,946.75	7,477.81	1,64,226.99
New asset originated or purchased	4,91,319.85			4,91,319.85
Assets derecognised or repaid (excluding write offs)	(3,07,972.17)	(34,055.50)	(3,815.44)	(3,45,843.12)
Transfers from Stage 1	(68,546.21)	68,546.21		-
Transfers from Stage 2		(39,393.50)	39,393.50	-
Transfers from Stage 3				-
Amounts written off			(30,853.19)	(30,853.19)
Gross carrying amount as at March 31,2026	2,42,603.89	24,043.96	12,202.68	2,78,850.53

Particulars	March 31, 2025			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at April 01, 2024	1,22,947.60	16,858.29	7,322.87	1,47,128.75
New asset originated or purchased	3,15,534.76			3,15,534.76
Assets derecognised or repaid (excluding write offs)	(2,51,889.53)	(13,056.24)	(1,914.10)	(2,66,859.87)
Transfers from Stage 1	(58,790.41)	58,790.41		-
Transfers from Stage 2		(33,645.70)	33,645.70	-
Transfers from Stage 3				-
Amounts written off			(31,576.65)	(31,576.65)
Gross carrying amount as at March 31,2025	1,27,802.43	28,946.75	7,477.81	1,64,226.99

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

38.1.3 Impairment allowance for loans to customers

Particulars	March 31, 2026			
	Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 01, 2025	911.13	4,142.73	4,871.83	9,925.69
ECL remeasurement due to changes in EAD/ Credit Risk/ Assumptions (Net)	2,015.05	4,047.96	(1,533.41)	4,529.60
Transfers from Stage 1	(644.64)	644.64	-	-
Transfers from Stage 2	-	(5,488.99)	5,488.99	-
Transfers from Stage 3	-	-	-	-
Impairment allowance for loans to customers as at March 31, 2026	2,281.54	3,346.34	8,827.41	14,455.29

Particulars	March 31, 2025			
	Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 01, 2024	2,479.98	3,194.99	4,074.81	9,749.78
ECL remeasurement due to changes in EAD/ Credit Risk/ Assumptions (Net)	(800.41)	1,739.94	(763.62)	175.91
Transfers from Stage 1	(768.44)	768.44	-	-
Transfers from Stage 2	-	(1,560.63)	1,560.63	-
Transfers from Stage 3	-	-	-	-
Impairment allowance for loans to customers as at March 31, 2025	911.13	4,142.73	4,871.83	9,925.69

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

39 Analytical Ratios :

Particulars	As at March 31, 2026	As at March 31, 2025	% variance	Reason for Variance (If above 25%)
1. CRAR (Excluding Off-Balance Sheet Items*)				
a) Capital to risk-weighted assets ratio (CRAR)	21.69%	31.18%	-30.43%	The decline in CRAR is primarily due to growth in the loan portfolio and the resulting increase in risk-weighted assets.
b) Tier I CRAR Tier-I Capital	20.44%	29.93%	-31.71%	
c) Tier II CRAR Tier II Capital	1.25%	1.25%	0.00%	
2. CRAR (Including Off-Balance Sheet Items*)				
a) Capital to risk-weighted assets ratio (CRAR)	21.69%	31.18%	-30.43%	The decline in CRAR is primarily due to growth in the loan portfolio and the resulting increase in risk-weighted assets.
b) Tier I CRAR Tier-I Capital	20.44%	29.93%	-31.71%	
c) Tier II CRAR Tier II Capital	1.25%	1.25%	0.00%	
				N/A

Note: The above disclosures have been calculated and presented as prescribed under the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 issued on 28th November, 2025.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

3. Liquidity Coverage Ratio (LCR)

N/A N/A N/A

Notes

- 1 *Off Balance Sheet Items include FLDG provided by Company to its Co-lenders, Cross Currency Interest Rate Swap Hedge Interest future outflow and contingent liabilities as disclosed in Note No. 51.
- 2 Total risk-weighted assets represents the weighted average of funded and non-funded items after applying the risk weights as assigned by the RBI.
Tier I capital means owned funds as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances, including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund and perpetual debt instruments issued by a non-deposit taking NBFC in each year, to the extent it does not exceed 15 percent of the aggregate Tier I Capital of such company as on March 31 of the previous financial year.
Tier II capital includes Preference shares other than those which are compulsorily convertible into equity, revaluation reserves at discounted rate of 55 percent, General provisions (including that for Standard Assets) 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 percent of risk weighted assets, hybrid debt capital instruments, subordinate debits and Perpetual debt instruments issued by a non-deposit taking NBFC which is in excess of what qualifies for Tier I capital to the extent the aggregate does not exceed Tier I capital.
- 3 The Company is a non-deposit taking NBFC with asset size of less than Rs. 5,000 crore. Thus, guidelines on LCR including disclosure standards does not apply as per para 23 of Master Direction –Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025.

40 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Refer Significant Accounting Policies-3.B.iii for more details on fair value hierarchy

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Financial instrument by category
As at 31.03.2026

Particulars	Carrying Value	Amortized Cost	Through OCI	At Fair Value Through P&L	Total
Financial Assets					
Cash and cash equivalents	8,609.88	8,609.88	-	-	8,609.88
Bank balances other than cash and cash equivalents	16,108.49	16,108.49	-	-	16,108.49
Receivable					
-Trade Receivable	1,078.69	1,078.69	-	-	1,078.69
-Other Receivables	287.98	287.98	-	-	287.98
Loans	2,75,895.64	2,75,895.64	-	-	2,75,895.64
Investments	-	-	-	-	-
Derivative Financial Instruments	4,113.01	-	-	-	-
Other financial assets	1,451.77	1,451.77	-	4,113.01	4,113.01
Total Financial Assets	3,07,545.45	3,03,432.44		4,113.01	3,07,545.45
Financial liabilities					
Derivative financial instruments	-	-	-	-	-
Trade Payables	-	-	-	-	-
(I) Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	150.59	150.59	-	-	150.59
(ii) total outstanding dues of creditors other than micro enterprises and	1,112.25	1,112.25	-	-	1,112.25
(II) Other Payables					
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises	-	-	-	-	-
Debt Securities	1,21,642.12	1,21,642.12	-	-	1,21,642.12
Borrowings (other than Debt Securities)	1,04,200.77	1,04,200.77	-	-	1,04,200.77
Other financial liabilities	1,203.43	1,203.43	-	-	1,203.43
Total Financial Liabilities	2,28,309.16	2,28,309.16			2,28,309.16



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

As at 31.03.2025

Particulars	Carrying Value	Amortized Cost	At Fair Value Through OCI	Through P&L	Total
Financial Assets					
Cash and cash equivalents	2,922.43	2,922.43	-	-	2,922.43
Bank balances other than cash and cash equivalents	8,315.35	8,315.35	-	-	8,315.35
Receivable					
-Trade Receivable	-	-	-	-	-
-Other Receivables	2,307.92	2,307.92	-	-	2,307.92
Loans	1,63,645.30	1,63,645.30	-	-	1,63,645.30
Investments	-	-	-	-	-
Derivative Financial Instruments	397.12	-	-	397.12	397.12
Other financial assets	2,112.05	2,112.05	-	-	2,112.05
Total Financial Assets	1,79,700.16	1,79,303.04	-	397.12	1,79,700.16
Financial liabilities					
Derivative financial instruments	-	-	-	-	-
Trade Payables	-	-	-	-	-
(I) Trade Payables	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	393.62	393.62	-	-	393.62
(ii) total outstanding dues of creditors other than micro enterprises and	2,151.53	2,151.53	-	-	2,151.53
(II) Other Payables	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises	-	-	-	-	-
Debt Securities	31,913.46	31,913.46	-	-	31,913.46
Borrowings (other than Debt Securities)	75,097.38	75,097.38	-	-	75,097.38
Other financial liabilities	1,192.97	1,192.97	-	-	1,192.97
Total Financial Liabilities	1,10,748.96	1,10,748.96	-	-	1,10,748.96



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Valuation governance framework

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives including their valuation methodologies are subject to approvals by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable. The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values :

- Trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other financial assets, borrowings, trade payables and other financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Borrowings taken by the Company are as per the Company's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

Particulars	Level	As at March 31, 2026		As at March 31, 2025	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Derivative Financial Instruments	2	4,113.01	4,113.01	397.12	397.12
Loans	3	2,75,895.64	2,75,895.64	1,63,645.30	1,63,645.30
Investments	3	-	-	-	-
Other financial assets	3	1,451.77	1,451.77	2,112.05	2,112.05
Total financial assets		2,81,460.42	2,81,460.42	1,66,154.46	1,66,154.46
Financial liabilities					
Derivative financial instruments	2	1,21,642.12	1,21,642.12	31,913.46	31,913.46
Debt Securities	3	1,04,200.77	1,04,200.77	75,097.38	75,097.38
Borrowings (Other than debt securities)	3	1,203.43	1,203.43	1,192.97	1,192.97
Other financial liabilities	3	-	-	-	-
Total financial liabilities		2,27,046.32	2,27,046.32	1,08,203.81	1,08,203.81



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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

41 Maturity analysis of Assets and Liabilities:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	8,609.88	-	8,609.88	2,922.43	-	2,922.43
Bank balances other than cash and cash equivalents	15,597.93	510.56	16,108.49	7,630.31	685.04	8,315.35
Derivative Financial Instruments	773.55	3,339.46	4,113.01	397.12	-	397.12
Receivable						
-Trade Receivable	1,078.69	-	1,078.69	-	-	-
-Other Receivables	287.98	-	287.98	2,307.92	-	2,307.92
Loans	1,58,921.68	1,16,973.96	2,75,895.64	1,17,732.69	45,912.61	1,63,645.30
Investments	-	-	-	-	-	-
Other financial assets	1,451.77	-	1,451.77	39.96	2,072.09	2,112.05
Non- financial assets						
Current tax assets (net)	-	-	-	-	-	-
Deferred tax assets (net)	-	-	-	-	-	-
Fixed Assets	877.78	-	877.78	19.39	-	19.39
Intangible assets under development	-	-	-	-	-	-
Other Intangible Assets	-	360.33	360.33	-	590.66	590.66
Other non- financial assets	2,213.42	-	2,213.42	489.15	-	489.15
TOTAL ASSETS	1,89,812.67	1,23,610.57	3,13,423.24	1,31,538.96	51,666.55	1,83,205.51

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative Financial Instruments						
Payables						
(i) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	150.59		150.59	393.62		393.62
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,112.25		1,112.25	2,151.53		2,151.53
Debt Securities	48,175.63	73,466.49	1,21,642.12	17,752.64	14,160.82	31,913.46
Borrowings (other than Debt Securities)	34,955.52	69,245.25	1,04,200.77	41,332.47	33,764.91	75,097.38
Other financial liabilities	1,203.43		1,203.43	1,192.97		1,192.97
Non financial liabilities						
Provisions	1,130.56	86.29	1,216.85	736.37	79.60	815.97
Deferred tax liabilities (net)						
Other Non-financial liabilities						
Current tax liabilities (net)	1,408.71		1,408.71	2,381.91		2,381.91
Total Liabilities	88,136.68	1,42,798.03	2,30,934.72	65,941.50	48,005.33	1,13,946.84
Equity						
Equity share capital		31,925.71	31,925.71		31,599.40	31,599.40
Other equity		50,562.81	50,562.81		37,659.27	37,659.27
Net Assets	1,01,675.99	(19,187.46)	82,488.52	65,597.45	3,661.22	69,258.67

*Derivative financial instruments are presented on net basis on asset side with respect to their respective Marked-To-Market Value as on the Reporting Date. The maturity analysis is based on the contractual maturities of the underlying contracts, with inflows and outflows presented on a net basis amongst within or after 12 months.



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

42 Expenditure in Foreign Currency

Particulars	March 31, 2026	March 31, 2025
Expenditure in Foreign Currency	6,201.14	4,855.59

1. The expenditure in foreign currency is on account of interest expense and commission on corporate guarantee incurred towards Holding Company.

2. Commission on Corporate guarantee includes amount which pertains to FY 2023-24 accounted for in FY 2024-25 amounting to Rs. 189.06 Lakhs.

3. Although the expense towards the commission on corporate guarantee has been incurred in Indian Rupees (INR), it is payable to the Holding Company in USD, and hence has been included under foreign currency expenditure.

43 Utilisation of Borrowed Funds and Share Premium:

"No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries)."

"No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

44 With regard to the new amendments under "Division III of Schedule III" under "Part I – Balance Sheet - General Instructions for preparation of Balance Sheet" :-

- (i) The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, during the year ended March 31, 2026 and year ended March 31, 2025.
- (ii) The Company does not have any charge which is yet to be registered with ROC beyond the statutory period during the year ended March 31, 2026 and March 31, 2025. All satisfaction of charge forms were filed on time, except for sixteen matured loan facilities totaling Rs. 1500 lakhs for the year ended March 31, 2026, and 25,800 lakhs for the year ended March 31, 2025, as the Company is currently awaiting No Objection Certificates (NOCs) from the respective lenders.
- (iii) The Company have not traded or invested in Crypto currency or virtual currency during the year ended March 31, 2026 and March 31, 2025.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender during the year ended March 31, 2026 and March 31, 2025.
- (v) There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2026 and 31 March 2025, in the tax assessments, search or survey or any other relevant provisions under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2026 and 31 March 2025.
- (vi) The company possess intangible assets under development amounting to Rs. 877.78 Lakhs (March 31, 2025: Rs. 19.39 Lakhs) as disclosed in note no 10(b).
- (vii) The company does not possess any capital work in progress during the year.



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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

- 45** With regard to the new amendments under "Division III of Schedule III" under "Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" there are no transactions that are required to be disclosed with regard to the following clauses 11(v) and 11(vii) for the Company.
- 46 Compliance with Approved Schemes of Arrangements :**
The company has not approved any Schemes or Arrangement in terms of section 230 to 237 of the Companies Act 2013 during the year ended 31st March 2026 and 31st March 2025.
- 47** The company does not own any immovable property as on 31st March 2026 and 31st March 2025.
- 48 Compliance with Number of Layers of The Company :**
The company has complied with the numbers of layers prescribed under clause 87 of Section 2 of the Act read with Companies(Restriction on number of Layers)Rules,2017.
- 49** The Company has availed loans from banks and financial institutions on the basis of security of current assets/book debts during the year ended 31 March 2026 and 31 March 2025. Quarterly submissions of book debts of the value of assets hypothecated are submitted with the banks and financial institutions, with this respect.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

50 Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Updated as on Apr 01, 2026)

A. Resolution plans implemented by the Company

Year Ended	Number of Borrower	Principal Outstanding at Year End	Impairment allowance as per ECL
March 31, 2026		NIL	
March 31, 2025		NIL	

B. Capital

Particulars	As at March 31, 2026	As at March 31, 2025
CRAR%	21.69%	31.18%
CRAR- Tier I Capital (%)	20.44%	29.93%
CRAR- Tier II Capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier- II Capital (Rs in lakhs)	-	-
Amount Raised by issue of Perpetual Debt Instruments	-	-

Note: The above calculation are exclusive of Off balance Sheet Items

C. Investments

Particulars	As at March 31, 2026	As at March 31, 2025
A.1. Value of Investments		
(i) Gross Value of Investments		
(a) In India	-	-
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	-	-
(b) Outside India	-	-
A.2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

D. Derivatives

D.1 Forward Rate Agreement/Interest Rate Swap

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The notional principal of swap agreements	-	8,319.50
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	238.64
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	206.26

D.2 Exchange Traded Interest Rate (IR) Derivative- NIL

D.3 Disclosures on Risk Exposure in Derivatives

(i) Qualitative Disclosure

- a. The company recognizes various market risks including foreign exchange fluctuation and other assets liability mismatches
- b. The company is taking active action for protection against exchange fluctuation risk by adopting hedging instrument on case-to-case basis. In this regard, during the year ended 31st March, 2026 and 31st March, 2025, the company has entered into USD Call INR Put Option Contracts with respect to ECB Tranches and during the year ended 31st March, 2024, the company had entered into USD-INR Cross Currency Interest Rate Swap contract (which was still active as on 31st March, 2025) with respect to One ECB Tranche. The details are being provided in table below. For Derivative wise details, refer Note 4.

(ii) Quantitative Disclosure

Particulars	As at March 31, 2026		As at March 31, 2025	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount) For Hedging (USD Absolute)	7,21,06,923.00		5,45,52,625.00	-
Value (Rs in Lakhs)	82,969.81		48,402.65	
(ii) Marked to Market Positions				
(a) Assets (+)	4,113.01		397.12	-
(b) Liability (-)	-		-	-
(iii) Credit Exposure	-		-	-
(iv) Unhedged Exposures	-		8,558.14	-

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2025
(All amount in Rs. in Lakhs, unless stated otherwise)

E. Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)- as on 31st March 2025

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	1,766.13	119.21	-	517.36	303.47	6,613.87	7,778.62	510.56	-	-	17,009.07
Advances*	23,014.23	1,585.51	8,372.01	13,975.30	13,912.88	40,215.74	73,783.77	1,112,113.23	6,591.52	269.21	2,91,842.90
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	1,319.08	7,410.23	3,055.06	20,100.79	6,335.21	19,661.82	25,248.95	74,650.68	999.87	-	1,58,781.70
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	-	-	45,406.18	21,655.00	-	67,061.18

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

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

Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)- as on 31st March 2025

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	107.03	-	-	168.21	222.22	1,312.18	5,821.67	685.04	-	-	8,316.25
Advances*	24,605.42	691.85	6,269.28	9,858.71	10,920.71	29,483.58	46,683.12	45,842.06	70.55	-	1,74,775.26
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	1,993.39	191.67	845.60	2,598.58	3,124.44	6,898.16	19,242.07	13,967.40	3,122.67	-	51,982.00
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	15,924.20	8,268.98	30,835.66	-	-	55,028.84

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

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

F. Exposures

F.1 Exposure to Real Estate Sector

Category	As at 31st March, 2026	As at 31st March, 2025
(i) Direct exposure		
a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.		
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
i. Residential		
ii. Commercial Real Estate		
(ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		
(iii) Pending Disbursements (Undrawn commitments)		
Total Exposure to Real Estate Sector		

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F.2 Exposure to Capital Market

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt		
ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds.		
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.		
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances.	10.29	43.81
v) Secured and unsecured advances to stockbrokers and guaranties issued on behalf of stockbrokers and market makers.		
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.		
vii) Bridge loans to companies against expected equity flows / issues.		
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.		
ix) Financing to stockbrokers for margin trading.		
x) All exposures to Alternative Investment Funds:		
Category i		
Category ii		
Category iii		
Pending Disbursements (Undrawn commitments)		
Total exposure to capital market	10.29	43.81

F.3 Sectoral Exposure

Sectors	Year Ended March 31, 2026			Year Ended March 31, 2025		
	Exposure (includes on balance sheet and off balance sheet exposures) (₹ Lakhs)	Gross NPAs (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector	Exposure (includes on balance sheet and off balance sheet exposures) (₹ Lakhs)	Gross NPAs (₹ lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
2. Industry						
3. Services						
4. Personal Loans						
Others	2,79,638.37	13,202.68	4.96%	1,72,901.48	7,477.81	4.32%
Total of Personal Loans (Others)	2,79,638.37	13,202.68	4.96%	1,72,901.48	7,477.81	4.32%
5. Others, if any (please specify)						

F.4 Intra-group exposures

Following are the disclosures pertaining to intra group exposures:-

Particulars	As at March 31, 2026	As at March 31, 2025
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

F.5 Unhedged foreign currency exposure

Refer Note 5(B)(3)(i) to the Financial Statements

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

G. Details of financing of parent company products – Not Applicable

G.1 Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the applicable NBFC.

List of Single Exposures exceeding Limits as at March 31, 2026

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

Tier I capital / Owned Funds as on March 31, 2026 is Rs. 72,556.47 Lakhs

List of Single Exposures exceeding Limits as at March 31, 2025

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

Tier I capital / Owned Funds as on March 31, 2025 is Rs. 63,096.85 Lakhs

List of Group Exposures exceeding Limits as at March 31, 2026

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

Tier I capital / Owned Funds as on March 31, 2026 is Rs. 72,556.47 Lakhs

List of Group Exposures exceeding Limits as at March 31, 2025

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

Tier I capital / Owned Funds as on March 31, 2025 is Rs. 63,096.85 Lakhs

H. Miscellaneous

H.1 Registration obtained from other financial sector regulators:

Sl. No.	Regulator Name	Particulars	Registration Details
1	Ministry of Corporate Affairs	Corporate Identification Number (CIN)	U74110DL2016PTC290970
2	Reserve Bank of India	Registration Number	N-14-03354
3	Legal Entity Identifier India Ltd	LEI Number	335800QAHY3ASTR7U55
4	Financial Intelligence Unit, Ministry of Finance, Government of India (FIMNet Gateway)	FIU/REGID	FINBF13492
5	Ministry of Micro, Small and Medium Enterprises*	UDYAM Registration	UDYAM-DL-08-0000214

*The company ceases to be an MSME from 1st April, 2025.

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

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

I. Disclosure of Penalties imposed by Reserve Bank of India and other regulators during the year:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1. Advisory issued under Reserve Bank – Integrated Ombudsman Scheme, 2021	1.01	6.09
2. Total Debt SOP Fines imposed by SEBI during the year	0.59	1.49
Total Fines and Penalties	1.60	7.58

J. Disclosure of complaints

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

Sl. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	-	-
3	Number of complaints disposed during the year	-	-
4	Number of complaints pending at the end of the year	-	-

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

Sl. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	4	1
3	Number of complaints disposed during the year	4	1
4	Number of complaints pending at the end of the year	-	-

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

Sl. No.	Particulars	31st March 2026	31st March 2025
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	147	312
2	Number of complaints received during the year	9,203	10,342
3	Number of complaints disposed during the year	8,496	10,507
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	854	147
Maintainable complaints received by the NBFC from Office of Ombudsman			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	539	539
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	526	525
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	13	14
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Notes:

1. All the complaints pending as at March 31, 2026, were resolved subsequently.

2. Maintainable complaints refer to complaints on the grounds specifically mentioned in Reserve Bank - Integrated Ombudsman Scheme, 2021 (previously the Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the scheme.

3. The above disclosures are as certified by the Management and relied upon by the auditors.



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
 (All amount in Rs. in Lakhs, unless stated otherwise)

J.4. Top five grounds of complaints received by the NBFCs from customers:

Grounds of complaints, (i.e. complaints relating to)*	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
31st March 2026					
Loan and Advances	121	4,388	% Decrease 36.88%	203	151
Difficulty in operation of accounts	26	1,445	% Decrease 57.37%	272	213
SMS – Repayment Reminder		938	NA	316	312
Credit Bureau Update		876	NA	23	6
Recovery Agents / Direct Sales Agents	-	739	NA	6	3
Others	-	817	NA	34	34
TOTAL	147	9,203		854	719
31st March 2025					
Loan and Advances	247	6,952	% Decrease 47.42%	121	13
Difficulty in operation of accounts	65	3,390	% Decrease 3.53%	26	7
TOTAL	312	10,342		147	20

* For Year ended 31st March, 2025, the complaints received by the company are based on two grounds. Thus, only two grounds for complaint are being reported.
 Note: The above disclosures are as certified by the Management and relied upon by the auditors.



K. Ratings assigned by Credit Rating Agencies and migration of ratings during the year

Instrument*	Rating Agency	Year ended March 31, 2026	Year ended March 31, 2025	Rating Action
Non-convertible debentures	ICRA	74,640	37,650	[ICRA]BBB (Stable); reaffirmed
	ICRA	-	60,000	[ICRA]BBB (Stable); assigned
	ICRA	-	20,400	[ICRA]BBB (Stable); Withdrawn
	ICRA	-	8,950	[ICRA]BBB (Stable); Reaffirmed and withdrawn
	CARE	-	20,000	CARE BBB; Stable; Assigned
Long-term fund based – Term loan	CARE	20,000	-	CARE BBB; Stable; Reaffirmed
	India Ratings and Research	20,000	20,000	IND BBB/Stable; Affirmed
Long-term fund based – Others	ICRA	-	-	[ICRA]BBB (Stable); reaffirmed
	ICRA	-	20,000	[ICRA]BBB (Stable); reaffirmed/ assigned for the enhanced amount
Long-term fund-based term loan	ICRA	-	-	[ICRA]BBB (Stable); reaffirmed
	ICRA	-	1,500	[ICRA]BBB+(CE) (Stable); reaffirmed and Withdrawn
Commercial paper	ICRA	8,000	-	[ICRA]A3+; reaffirmed
	CARE	-	10,000	CARE A3+; Assigned
	CARE	3,000	-	CARE A3+; reaffirmed
Bank Loans	India Ratings and Research	5,000	5,000	IND BBB/Stable; Affirmed
Long Term / Short Term Bank Facilities	CARE	10,000	10,000	CARE BBB; Stable / CARE A3+; Assigned

*For ICRA: The ratings are based on rating reports as on August 08 2025, May 10 2024 and August 9 2024 and Revalidation letter dated January 15, 2025.

*For India Ratings and research: The ratings are based on rating report as on Mar 12 2026 and March 13 2025.

*For CARE: The ratings are based on rating report as on April 10 2026 and April 26 2025.



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

I. Concentration of Deposits, Advances, Exposures and NPAs

L.1 Concentration of Advances

Particulars	As at March 31, 2026	As at March 31, 2025
Total Advances to twenty largest borrowers/Customers	241.88	90.41
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.09%	0.06%

L.2 Concentration of Exposures

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to twenty largest borrowers/customers	253.74	328.77
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.09%	0.20%

L.3 Concentration of NPAs

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to top four NPA accounts*	50.40	25.98

*NPA accounts represent Stage 3 loan exposures assessed at the consolidated customer level.

L.4 Sector-wise NPAs

Period	As at March 31, 2026		As at March 31, 2025	
	Amount	Percentage of NPAs to Total Advances in that sector	Amount	Percentage of NPAs to Total Advances in that sector
Agriculture and allied activities	-	0%	-	0%
MSME	-	0%	-	0%
Corporate borrowers	-	0%	-	0%
Services	-	0%	-	0%
Unsecured personal loans	-	0%	-	0%
Auto loans	-	0%	-	0%
Other personal loans	12,202.68	4.38%	7,477.81	4.55%

L.5 Movement of NPAs

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Net NPAs to Net Advances (%)	1.25%	1.64%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	7,477.81	7,322.87
(b) Additions during the year	36,293.54	31,731.59
(c) Reductions during the year	31,568.67	31,576.65
(d) Closing balance	12,202.68	7,477.81
(iii) Movement of Net NPAs		
(a) Opening balance	2,605.98	3,248.06
(b) Additions during the year	32,337.96	30,934.58
(c) Reductions during the year	31,568.67	31,576.65
(d) Closing balance	3,375.27	2,605.98
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	4,871.83	4,074.81
(b) Provisions made during the year	3,955.58	797.02
(c) Write-off/write-back of excess provisions	-	-
(d) Closing balance	8,827.41	4,871.83

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

M. Liquidity Risk

(i) Funding Concentration based on significant counterparty (borrowings)

Period	Number of Significant Counter Parties*	Amount (in INR Lakhs)*	% of Total Deposits	% of Total Liabilities
As at March 31, 2026	11	1,18,619.65	NA	51.37%
As at March 31, 2025	16	82,365.62	NA	72.28%

Note: 1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the Company's total liabilities.

2. Total Liabilities has been computed as Total Assets Less Equity Share Capital and Reserve & Surplus.

*Includes securitisation liabilities exposure

(ii) Top 20 large deposits (amount in ₹ crore and percent of total deposits)

N/A

(iii) Top 10 borrowings (amount in ₹ Lakhs and percent of total borrowings)

As at March 31, 2026

Sr No.	Number of Significant Counter Parties*	Amount (in INR Lakhs)	% of Total Borrowings
1	10	1,16,202.98	50.89%

As at March 31, 2025

Sr No.	Number of Significant Counter Parties*	Amount (in INR Lakhs)	% of Total Borrowings
1	10	77,408.06	71.35%

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

(iv) Funding Concentration based on significant instrument/product

As at March 31, 2026

Sr No.	Name of the instrument/product	Amount (₹ lakhs)	% of Total Liabilities
1	ECB	67,061.19	29.04%
2	Term Loan Other	30,363.05	13.15%
3	Non-Convertible Debentures	1,04,895.99	45.42%
4	Term Loan Bank	5,662.44	2.45%
5	Commercial Paper	19,660.12	8.51%
6	ICD	697.22	0.30%
	Total	2,28,340.01	

As at March 31, 2025

Sr No.	Name of the instrument/product	Amount (₹ lakhs)	% of Total Liabilities
1	ECB	55,028.84	48.29%
2	Term Loan Other	14,165.41	12.43%
3	Non-Convertible Debentures	33,258.15	29.19%
4	Term Loan Bank	4,714.67	4.14%
5	Commercial Paper	525.00	0.46%
6	ICD	791.67	0.69%
	Total	1,08,483.74	

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(v) Stock Ratios:

Particulars	As at March 31, 2026	As at March 31, 2025
Total Borrowings (Public Funds)	2,28,340.01	1,08,483.74
Total Liabilities	2,30,934.72	1,13,946.84
Total assets	3,13,423.24	1,83,205.51

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

Particulars	As at March 31, 2026	As at March 31, 2025
% on Total Borrowing (Public Funds)	8.61%	0.48%
% on Total Liability	8.51%	0.46%
% on Total Assets	6.27%	0.29%

(b) Non-convertible debentures (original maturity of less than one year) as a percent of total public funds, total liabilities and total assets

Particulars	As at March 31, 2026	As at March 31, 2025
% on Total Borrowing (Public Funds)	-	-
% on Total Liability	-	-
% on Total Assets	-	-

(c) Other short-term liabilities, if any as a percent of total public funds, total liabilities and total assets

	As at March 31, 2026	As at March 31, 2025
Short term liability*	22,070.11	18,042.34
% on Total Borrowing (Public Funds)	9.67%	16.63%
% on Total Liability	9.56%	15.83%
% on Total Assets	7.04%	9.85%

*Other short-term liabilities represent current liabilities other than short-term borrowings and current maturities of long-term borrowings.

(vi) Institutional set-up for liquidity risk management

The Company has in place organizational set up as directed in RBI regulations to decide the strategy, policies, and procedures of the Company to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it. The set up includes the following bodies:

- A. Board of Directors:** The Board shall have the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.
- B. Asset Liability Management Committee ("ALM Committee"):** The ALM Committee of the Board, consisting of Managing Director, shall be responsible for evaluating the liquidity risk. The Asset-Liability Management Committee (ALCO) consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC.
- The role of the ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities, and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.
- The ALM Support Group responsible for analyzing, monitoring and reporting the liquidity risk profile to the ALCO.
- C. Risk Management Committee:** It shall evaluate the overall risks faced by the Company including liquidity risk.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

N. Comparison of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI and Impairment Allowance as per Ind AS 109 'Financial Instruments'.

For the year ended March 31, 2026

Asset Classification as per norms of the Reserve Bank	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7 = 4-6
Performing Assets						
Standard	Stage 1	2,42,603.89	2,281.54	2,40,322.35	970.42	1,311.13
	Stage 2	24,043.96	3,346.34	20,697.62	96.18	3,250.16
Subtotal for Performing Assets		2,66,647.85	5,627.88	2,61,019.97	1,066.59	4,561.29
Non-Performing Assets (NPA)						
Substandard	Stage 3	12,202.68	8,827.41	3,375.27	1,220.27	7,607.14
Doubtful - up to 1 year	Stage 3					
1 to 3 years	Stage 3					
More than 3 years	Stage 3					
Subtotal for doubtful						
Loss						
Subtotal for NPA	Stage 3	12,202.68	8,827.41	3,375.27	1,220.27	7,607.14
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Subtotal For Other Items						
Total	Stage 1	2,42,603.89	2,281.54	2,40,322.35	970.42	1,311.13
	Stage 2	24,043.96	3,346.34	20,697.62	96.18	3,250.16
	Stage 3	12,202.68	8,827.41	3,375.27	1,220.27	7,607.14
	Total	2,78,850.53	14,455.29	2,64,395.24	2,286.86	12,168.43

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For the year ended March 31, 2025

Asset Classification as per norms of the Reserve Bank	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7 = 4-6
Performing Assets						
Standard	Stage 1	1,27,802.43	911.13	1,26,891.30	511.21	399.92
	Stage 2	28,946.75	4,142.73	24,804.02	115.79	4,026.95
Subtotal for Performing Assets		1,56,749.18	5,053.86	1,51,695.32	627.00	4,426.87
Non-Performing Assets (NPA)						
Substandard	Stage 3	7,477.81	4,871.83	2,605.98	747.78	4,124.05
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss						
Subtotal for NPA	Stage 3	7,477.81	4,871.83	2,605.98	747.78	4,124.05
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal For Other Items						
Total	Stage 1	1,27,802.43	911.13	1,26,891.30	511.21	399.92
	Stage 2	28,946.75	4,142.73	24,804.02	115.79	4,026.95
	Stage 3	7,477.81	4,871.83	2,605.98	747.78	4,124.05
	Total	1,64,226.99	9,925.69	1,54,301.30	1,374.78	8,550.91

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

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

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

P. Details of financing of parent company products:

Details of financing of parent company products during the year March 31, 2026 : Nil (March 31, 2025 : Nil)

Q. Details of transaction with non executive directors:

Refer Note 36 for details

R. Disclosures relating to Securitisation and Direct Assignment

R.1. Disclosure as per RBI Master Direction – (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025

The information on securitisation of the Company as an originator is given below:

S. No.	Particulars	As at March 31, 2026	As at March 31, 2025
1	No of SPEs holding assets for securitisation transactions originated by the originator	14	3
2	Total amount of securitised assets as per books of the SPEs	30,582.96	5,551.83
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	1,553.88	277.59
	• Others	1,988.45	605.97
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	2,273.74	166.07
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets	28,309.21	5,028.90
	Gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc	-	-
7	Performance of facility provided		
	Credit Enhancement		
	(a) Amount paid	3,542.34	969.32
	(b) Repayment received	-	-
	(c) Outstanding amount	3,542.34	969.32
8	Average default rate of portfolios observed in the past.		
	-Personal Loans	2.47%	1.63%
9	Amount and number of additional/top up loan given on same underlying asset		
	-Personal Loans	-	-
10	Investor complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints outstanding	-	-

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

R.2. Disclosure as per RBI Master Direction – (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025

The information on securitisation of the Company as an originator is given below:

a Details of transfer through assignment in respect of loans not in default

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Count or Loan accounts Assigned	1,07,537.00	51,214.00
Amount of Loan account Assigned (₹ in lakhs)	30,582.96	5,551.83
Retention of beneficial economic interest (MRR)	3,542.34	883.53
Weighted Average Maturity (Residual Maturity) (in years)*	1.13	1.06
Weighted Average Holding Period (in years)*	0.87	1.06
Coverage of tangible security coverage	NA	NA
Rating-wise distribution of rated loans	ICRA: A (SO) : 23432.33 ICRA: A+ (SO) : 2105.65 CARE: A (SO) : 782.78	ICRA: A (SO) : 3013.68 ICRA: A+ (SO) : 1874

*The details of Residual Maturity and Average Holding Period are presented as on 31st March, 2026 and 31st March, 2025.

b Details of stressed loans transferred during the year

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Number of Accounts	-	-
Aggregate principal outstanding of loans transferred (₹ in lakhs)*	-	-
Weighted average residual tenor of the loans transferred (in years)	-	-
Net book value of loans transferred (at the time of transfer) (₹ in lakhs)	-	-
Aggregate consideration (₹ in lakhs)	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-

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

c The Company has acquired below loan during the year

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Aggregate principal outstanding of loans acquired	-	-
Aggregate consideration paid	-	-
Weighted average residual tenor of loans acquired	-	-

d The Company has not acquired any stressed loans during the financial years ended March 31, 2026 and March 31, 2025.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

S. Information / Particulars as set out in Annex I of Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

Schedule to the Balance Sheet of Akara Capital Advisors Private Limited, as at March 31, 2026				
Particulars				
Liabilities side			Amount Outstanding	Amount Overdue
1	Loans and advances available by the NBFC inclusive of interest accrued thereon but not paid:			
	(a)	Debentures : Secured	1,01,982.00	
		: Unsecured	-	
	(b)	Deferred Credits	-	
	(c)	Term Loans	17,613.88	
	(d)	Inter-corporate loans and borrowing	697.22	
	(e)	Commercial Paper	19,660.12	
	(f)	Public Deposits	-	
	(g)	Other Loans- Foreign Loan	59,216.76	
	(h)	Other Loans- Lease Liabilities	12.19	
	(i)	Other Loans- Securitisation-Rupee Loans	18,584.40	
Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
2	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other public deposits	-	-
Assets side			Amount outstanding	
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
	(a)	Secured		535.31
	(b)	Unsecured		2,78,315.22
Break up of Leased Assets and stock on hire and other assets counting towards				
4	(i)	Lease assets including lease rentals under sundry debtors:		
		(a)	Financial lease	-
		(b)	Operating lease	-
	(ii)	Stock on hire including hire charges under sundry debtors:		
		(a)	Assets on hire	-
		(b)	Reposessed Assets	-
	(iii)	Other loans counting towards asset financing activities		
		(a)	Loans where assets have been reposessed	-
		(b)	Loans other than (a) above	-
Break-up of Investments				
Current Investments				
5	Quoted			
	1	(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
	(iv)	Government Securities	-	
		Others (please specify)	-	
	Unquoted			
	2	(i)	Shares	
			(a) Equity	-
(b) Preference			-	
(ii)		Debentures and Bonds	-	
(iii)		Units of mutual funds	-	
(iv)	Government Securities	-		
(v)	Others (please specify)	-		
3 Short Term Deposits			17,609.08	

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Assets side			Amount outstanding		
5	Long Term investments				
	1	Quoted			
		(i)	Share		
			(a) Equity		
			(b) Preference		
		(ii)	Debentures and Bonds		
		(iii)	Units of mutual funds		
		(iv)	Government Securities		
		(v)	Others (please specify)		
	2	Unquoted			
		(i)	Shares		
			(a) Equity		
			(b) Preference		
		(ii)	Debentures and Bonds		
		(iii)	Units of mutual funds		
(iv)		Government Securities			
(v)		Others (please specify)			

6	Borrower group-wise classification of assets financed as in (3) and (4) above:				
	Category		Amount net of provisions		
			Secured	Unsecured	Total
	1	Related Parties			
		(a) Subsidiaries	-	-	-
		(b) Companies in the same group	-	-	-
		(c) Other related parties	-	-	-
	2	Other than related parties	535.31	2,78,315.22	2,78,850.53
Total		535.31	2,78,315.22	2,78,850.53	

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Category		Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
	1	Related Parties		
		(a) Subsidiaries	-	-
		(b) Companies in the same group	-	-
		(c) Other related parties	-	-
	2	Other than related parties	-	-
	Total		-	-

8	Other information		
	Particulars		Amount
	(i)	Gross Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	12,202.68
	(ii)	Net Non-Performing Assets	
		(a) Related parties	-
		(b) Other than related parties	3,375.27
(iii)	Assets acquired in satisfaction of debt	-	

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Schedule to the Balance Sheet of Akara Capital Advisors Private Limited, as at March 31, 2025

Particulars			
Liabilities side		Amount outstanding	Amount Overdue
1	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
	(a)	Debentures : Secured	31,388.46
		: Unsecured	-
	(b)	Deferred Credits	-
	(c)	Term Loans	15,076.60
	(d)	Inter-corporate loans and borrowing	791.67
	(e)	Commercial Paper	525.00
	(f)	Public Deposits	-
	(g)	Other Loans- Foreign Loan	53,303.02
	(h)	Other Loans- Lease Liabilities	21.07
	(i)	Other Loans- Securitisation-Rupee Loans	3,893.04
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest		
	(a)	In the form of Unsecured debentures	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-
	(c)	Other public deposits	-
Assets side		Amount outstanding	
3	Break-up of Loans and Advances including bills receivables (other than those		
	(a)	Secured	53.43
	(b)	Unsecured	1,63,591.87
4	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	Lease assets including lease rentals under sundry debtors:		
	(i)	(a) Financial lease	-
		(b) Operating lease	-
	Stock on hire including hire charges under sundry debtors:		
	(ii)	(a) Assets on hire	-
		(b) Repossessed Assets	-
	Other loans counting towards asset financing activities		
	(iii)	(a) Loans where assets have been repossessed	-
		(b) Loans other than (a) above	-
5	Break-up of Investments		
	Current Investments		
	Quoted		
	1	Shares	
		(a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
	2	(iv) Government Securities	-
		(v) Others (please specify)	-
		Unquoted	
	2	Shares	
		(a) Equity	-
		(b) Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
	3	(iv) Government Securities	-
		(v) Others (please specify)	-
		3 Short Term Deposits	8,316.74

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

Assets side				Amount outstanding		
Long Term investments						
5	1	Quoted				
		(i)	Share			
			(a) Equity			
			(b) Preference			
		(ii)	Debentures and Bonds			
			(iii)	Units of mutual funds		
	(iv)		Government Securities			
	2	(i)	Unquoted	Shares		
				(a) Equity		
				(b) Preference		
		(ii)	Debentures and Bonds			
			(iii)	Units of mutual funds		
			(iv)	Government Securities		
		(v)	Others (please specify)			
Borrower group-wise classification of assets financed as in (3) and (4) above:						
6	Category			Amount net of provisions		
				Secured	Unsecured	Total
	1	Related Parties				
		(a)	Subsidiaries	-	-	-
		(b)	Companies in the same group	-	-	-
		(c)	Other related parties	-	-	-
	2	Other than related parties		53.43	1,63,591.87	1,63,645.30
	Total			53.43	1,63,591.87	1,63,645.30
	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):					
	7	Category			Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1		Related Parties				
		(a)	Subsidiaries	-	-	
		(b)	Companies in the same group	-	-	
		(c)	Other related parties	-	-	
2		Other than related parties		-	-	
Total			-	-		
Other information						
8	Particulars			Amount		
	(i)	Gross Non-Performing Assets				
		(a)	Related parties			
		(b)	Other than related parties	7,477.81		
	(ii)	Net Non-Performing Assets				
		(a)	Related parties			
		(b)	Other than related parties	2,605.98		
	(iii)	Assets acquired in satisfaction of debt				

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

T. Disclosure of Restructured Accounts (as required by Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025.)

Disclosure of Restructured Accounts for the year ended March 31, 2026

S. No	Type of Restructuring		Others				
	Asset Classification Details		Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 01	No. of Borrowers	-	574	-	-	574
		Amount Outstanding	-	676.80	-	-	676.80
		Provision Thereon	-	440.94	-	-	440.94
2	Fresh restructuring during the year	No. of Borrowers	-	174	-	-	174
		Amount Outstanding	-	326.07	-	-	326.07
		Provision Thereon	-	235.97	-	-	235.97
3	Upgradations to restructured standard category during the FY	No. of Borrowers	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-
		Provision Thereon	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of Borrowers	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-
		Provision Thereon	-	-	-	-	-
5	Downgradation of restructured accounts during the FY	No. of Borrowers	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-
		Provision Thereon	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	No. of Borrowers	-	644	-	-	644.00
		Amount Outstanding	-	922.02	-	-	922.02
		Provision Thereon	-	667.26	-	-	667.26
7	Restructured Accounts as on March 31	No. of Borrowers	-	104	-	-	104
		Amount Outstanding	-	80.85	-	-	80.85
		Provision Thereon	-	58.51	-	-	58.51

Disclosure of Restructured Accounts for the year ended March 31, 2025

S. No	Type of Restructuring		Others				
	Asset Classification Details		Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 01	No. of Borrowers	-	4,774	-	-	4,774
		Amount Outstanding	-	2,908.69	-	-	2,908.69
		Provision Thereon	-	1,618.44	-	-	1,618.44
2	Fresh restructuring during the year	No. of Borrowers	-	2,416	-	-	2,416
		Amount Outstanding	-	2,154.33	-	-	2,154.33
		Provision Thereon	-	1,403.55	-	-	1,403.55
3	Upgradations to restructured standard category during the FY	No. of Borrowers	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-
		Provision Thereon	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of Borrowers	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-
		Provision Thereon	-	-	-	-	-
5	Downgradation of restructured accounts during the FY	No. of Borrowers	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-
		Provision Thereon	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	No. of Borrowers	-	6,616	-	-	6,616.00
		Amount Outstanding	-	4,386	-	-	4,386.22
		Provision Thereon	-	2,581	-	-	2,581.05
7	Restructured Accounts as on March 31	No. of Borrowers	-	574	-	-	574
		Amount Outstanding	-	676.80	-	-	676.80
		Provision Thereon	-	440.94	-	-	440.94

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

U. Disclosures relating to securitisation

Particulars	As at March 31, 2026	As at March 31, 2025
Details of financial assets purchased from / sold to other NBFCs		
Details of financial assets purchased		
No. of accounts purchased during the year	-	-
Aggregate outstanding	-	-
Of these, number of accounts restructured during the year	-	-
Aggregate outstanding	-	-
Details of Financial Assets sold :		
No. of accounts sold during the year	1,07,537	51,214
Aggregate outstanding*	30,582.96	5,551.83
Aggregate consideration received	28,309.21	5,028.90

* The aggregate outstanding represents the outstanding balance of loan pool securitised on the date of securitisation, the outstanding obligation against securitisation as on 31st March, 2026 and 31st March, 2025 stands at Rs. 20,668.81 Lakhs and Rs. 4,237.01 Lakhs respectively.

V. Transfer of financial assets

V.1 Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Securitisations		
Carrying amount of transferred assets (held as Collateral)	30,582.96	5,551.83
Carrying amount of associated liabilities	-	-
Fair value of assets	30,582.96	5,551.83
Fair value of associated liabilities	-	-
Net position at FV	30,582.96	5,551.83

V.2 Transferred financial assets that are derecognised in their entirety

The Company has not transferred any assets that are derecognised in their entirety.

V.3 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

W. Disclosures on Co-Lending Arrangements (CLAs)

Details of Co-Lending Arrangements (CLAs) during the year ended March 31, 2026

(i) Co-Lending as Originating RE

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1	Number of CLAs	4	4
2	Weighted average rate of interest (per annum)	36.05%	35.43%
3	Fees charged/ paid (Rs. In lakhs)*	Nil	1.24
4	Broad sector in which CLA was made	Personal Loan	Personal Loan
5	Performance of loans under CLA (Rs. in lakhs)		
	Total Disbursement till March 31, 2026**	2,06,167.68	2,06,161.00
	Outstanding on above Disbursement as on March 31, 2026 **	696.19	8,544.70
	Write-off done till March 31, 2026**	19,179.70	16,327.00
	Net NPA as on March 31, 2026**	-	-
6	Details related to default loss guarantee***	Refer Note 50 W (i.a) below	

*The amount represents the co-lenders' share of processing fees paid by the Company in respect of loans originated under co-lending arrangements.

**The amount represents the co-lenders' share of the loan portfolio, which is not recognised on the Company's balance sheet.

***DLG has been provided by the company to other colenders.

(i.a) Details related to default loss guarantee (DLG)

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1	Total loan portfolio covered under DLG	83,953.00	83,953.00
2	Maximum DLG amount	4,197.70	4,197.70
3	DLG Cover outstanding	331.58	634.74
4	DLG invoked during the year	363.02	4,574.69
5	Amount paid under DLG	363.02	4,574.69
6	Recoveries	400.50	1,226.09

(ii) Co-Lending as Partner RE

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1	Number of CLAs	NA	NA
2	Weighted average rate of interest (per annum)	NA	NA
3	Fees charged/ paid (Rs. In lakhs)	NA	NA
4	Broad sector in which CLA was made Commercial Vehicle	NA	NA
5	Performance of loans under CLA (Rs. in lakhs)	NA	NA
	Total Disbursement till March 31, 2026	NA	NA
	Outstanding on above Disbursement as on March 31, 2026	NA	NA
	Write-off done till March 31, 2026	NA	NA
	Net NPA as on March 31, 2026	NA	NA
6	Details related to default loss guarantee	NA	NA

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

X. Disclosure relating to Corporate Governance

a. Composition of the Board

S No.	Name of Director	Director since	Capacity	DIN	Number of Board Meetings		No. of other Directorships
					Held	Attended	
1	Tushar Aggarwal	11-02-2016	Managing Director	1587360	13	10	2
2	Shruti Aggarwal	11-02-2016	Director	6867269	13	13	2
3	Vijay Ronjan	24-02-2022	Independent Director	9345384	13	13	3
4	Vijay Jasuja	17-08-2022	Independent Director	7924822	13	13	0
5	Radhakrishnan Ramachandra Iyer	03-02-2021	Independent Director	1309312	13	13	2
6	Botlaguduru Srinivas	24-12-2025	Independent Director	11416286	3	3	0

b. Details of change in composition of the Board during the current and previous financial year.

S No.	Name of Director	Effective Date	Nature of Change	Capacity
1	Botlaguduru Srinivas*	24-12-2025	Appointment	Independent Director

*Additional Director w.e.f. 24-12-2025 & Independent Director w.e.f. 01-01-2026.

c. Committees of the Board and their composition

c.1 Audit Committee :

The Audit Committee has been constituted by the Board to assist in ensuring the integrity of the Company's financial reporting, effectiveness of internal controls and independence of the audit function. The Committee provides oversight on financial reporting, statutory and internal audits, related party transactions and compliance with applicable regulatory and statutory requirements.

Terms of Reference :

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
3. Examination of the financial statement and the auditors' report thereon.
4. Approval or any subsequent modification of transactions of the company with related parties.
5. Scrutiny of inter-corporate loans and investments.
6. Valuation of undertakings or assets of the company, wherever it is necessary.
7. Evaluation of internal financial controls and risk management systems.
8. Monitoring the end use of funds raised through public offers and related matters.
9. Any other responsibility as may be assigned by the board from time to time.

Composition of Audit Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Tushar Aggarwal	17-08-2022	Promoter	4	4	-
2	Shruti Aggarwal	17-08-2022	Promoter	4	4	100
3	Radhakrishnan Ramachandra Iyer	17-08-2022	Chairman (Independent)	4	4	-
4	Vijay Ronjan	17-08-2022	Independent	4	4	-
5	Vijay Jasuja	17-08-2022	Independent	4	4	-



c.2 Nomination and Remuneration Committee :

The Nomination and Remuneration Committee has been constituted by the Board to oversee matters relating to Board composition, appointment of Directors and Key Managerial Personnel, succession planning and remuneration. The Committee ensures that the Company's governance framework promotes leadership, accountability and alignment of remuneration with performance and long-term business objectives.

Terms of Reference :

- 1 Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board.
- 2 Identifying individuals suitably qualified to be appointed as KMPs of the Company.
- 3 Recommending to the Board on the selection of individuals nominated for directorship.
- 4 Making recommendations to the Board on the remuneration payable to the Directors / KMPs so appointed / reappointed.
- 5 Assessing the independence of independent directors.
- 6 Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Companies Act 2013 and Rules thereunder.
- 7 To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the applicable laws and their terms of engagement.

Composition of Nomination and Remuneration Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Tushar Aggarwal	17-08-2022	Promoter	4	4	0
2	Shruti Aggarwal	17-08-2022	Promoter	4	4	100
3	Radhakrishnan Ramachandra Iyer	17-08-2022	Independent	4	4	0
4	Vijay Ronjan	17-08-2022	Chairman (Independent)	4	4	0
5	Vijay Jasuja	17-08-2022	Independent	4	4	0

c.3 Asset Liability Management Committee :

The Asset Liability Management Committee has been constituted by the Board to oversee the Company's Asset Liability Management framework. The Committee is responsible for setting the Company's risk and return objectives, formulating and monitoring ALM strategies, reviewing asset-liability mismatches, and overseeing the Company's liquidity and solvency position in line with its business objectives and applicable regulatory requirements.

Terms of Reference :

- 1 Formulate, implement and monitor the Company's Asset Liability Management (ALM) strategy.
- 2 Establish the Company's risk/reward objectives and risk tolerance limits.
- 3 Review and monitor mismatches between assets and liabilities.
- 4 Oversee the Company's liquidity and solvency position on a periodic basis.
- 5 Monitor compliance with the Company's ALM framework and applicable regulatory requirements.
- 6 Perform such other functions as may be delegated by the Board from time to time.

Composition of Asset Liability Management Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Tushar Aggarwal	09-11-2023	Chairman	4	3	0
2	Shruti Aggarwal	09-11-2023	Director	4	4	100
3	Ashish Jha	24-09-2024	Member	4	4	0
4	Pankaj Kumar	09-11-2023	Member	4	4	0
5	Mr. EmamySrinivas Pramodh*	31-01-2025	Member	2	2	0
6	Mr. Bibhor Halan**	14-11-2025	Member	1	1	0

*Mr. Emamy Srinivas Pramodh was a member of the Committee up to 14 November 2025.

**Mr. Bibhor Halan was appointed as a member of the Committee with effect from 14 November 2025 till 11th February, 2026



c.4 Risk Management Committee :

The Risk Management Committee has been constituted by the Board to oversee the Company's enterprise-wide risk management framework. The Committee assists the Board in identifying, assessing, monitoring and mitigating key risks, while ensuring that effective risk management practices and internal control systems are embedded across the organisation.

Terms of Reference :

- 1 Sets the organisation's strategic direction and oversees its implementation. It ensures that management maintains an effective RMF with appropriate oversight processes and for embedding the principle of safety and soundness in the culture of the whole organisation
- 2 Oversee all Credit Risk related matters for the Organisation and monitor large credit exposures, NPAs, and write-offs
- 3 Oversees the development and the delivery of the management plan and that the agreed strategy is executed across all dimensions
- 4 Oversees the implementation of the Asset & Liability Management (ALM) framework, with a focus on active management of liquidity
- 5 Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing and the policies that apply to such arrangements and laying down appropriate approval authorities for outsourcing depending on risks and materiality
- 6 Oversee and govern a robust IT and Information Security Risk Management Framework

Composition of Risk Management Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Tushar Aggarwal	17-08-2022	Chairman (Managing Director)	4	4	0
2	Mrs. Shruti Aggarwal	17-08-2022	Director	4	4	100
3	Mr. Varun Chhabra	17-08-2022	Member	4	4	0
4	Ms. Aparna Bihani*	31-01-2025	Member	3	3	0
5	Mr. Amit Doger*	31-01-2025	Member	3	3	0
6	Ms. Deepthi Agnihotri**	14-11-2025	Member	1	1	0

*Ms. Aparna Bihani and Mr. Amit Doger were members of the Committee till 14th November, 2025.

**Ms. Deepthi Agnihotri was appointed as Member of the Committee w.e.f. 14th November 2025.

c.5 IT Strategy and Steering Committee :

The IT Strategy and Steering Committee has been constituted by the Board to provide strategic oversight of the Company's information technology and cyber security framework. The Committee ensures that the Company's IT strategy supports its business objectives while promoting robust information security, cyber resilience, technology governance and regulatory compliance.

Terms of Reference :

- 1 Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.
- 2 Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the RE towards accomplishment of its business objectives.
- 3 Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives.
- 4 Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company.
- 5 Ascertain that management has implemented processes and practices that ensure that the IT delivers value to the business.
- 6 Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.
- 7 Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
- 8 Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls.
- 9 Carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance.
- 10 Formulating IT outsourcing policies and procedures, evaluating the risks and materiality of all existing and prospective IT outsourcing arrangements based on the framework commensurate with the complexity, nature and scope, in line with the enterprise-wide risk management of the organisation approved by the Board and its implementation.
- 11 Prior evaluation of prospective IT outsourcing arrangements and periodic evaluation of the existing outsourcing arrangements covering the performance review, criticality and associated risks of all such arrangements based on the policy approved by the Board.
- 12 Identifying IT outsourcing risks as they arise, monitoring, mitigating, managing and reporting of such risks to the Board/Committee of the Board in a timely manner.
- 13 Ensuring that suitable business continuity plans based on realistic and probable disruptive scenarios, including exit of any third-party service provider, are in place and tested periodically.
- 14 Ensuring effective oversight over third party for data confidentiality and appropriate redressal of customer grievances in a timely manner.
- 15 Creating essential capacity with required skillsets within the organization for proper oversight of outsourced activities.
- 16 Any other roles and responsibilities delegated by the Board of Directors of the Company from time to time.



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Composition of IT Strategy and Steering Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Vijay Jasuja	09-11-2023	Chairman and Independent Director	5	5	0
2	Mr. Tushar Aggarwal	09-11-2023	Member and Managing Director	5	5	0
3	Mrs. Shruti Aggarwal	09-11-2023	Member/Director	5	5	100
4	Mr. Karan Talwar*	15-06-2024	Member	3	3	0
5	Mr. Pankaj Badgotra*	22-11-2024	Permanent Invitee	3	3	0
6	Mr. Siddharth Mahajan**	14-11-2025	Permanent Invitee	1	1	0
7	Mr. Abhishek Gupta	14-11-2025	Member	2	2	0
8	Mr. Reetik Ranjan	11-02-2026	Permanent Invitee	0	0	0

*Pursuant to the approval of the Board at its meeting held on 14 November 2025, Mr. Karan Talwar and Mr. Pankaj Badgotra ceased to be members of the Committee following their resignation. Mr. Siddharth Mahajan was appointed as a Permanent Invitee and Mr. Abhishek Gupta was appointed as a member of the Committee with effect from the same date

**In place of Mr. Siddharth Mahajan, the Board, at its meeting held on 11 February 2026, appointed Mr. Reetik Ranjan as a Permanent Invitee to the Committee.

c.6 Special Committee of the Board for Monitoring and Follow-Up of Cases of Frauds

The Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds has been constituted to strengthen the Company's fraud risk governance framework. The Committee oversees the monitoring of fraud cases, reviews root cause analyses, evaluates corrective actions and recommends measures to strengthen internal controls and minimise the occurrence of frauds across the organisation.

Terms of Reference :

- 1 To oversee the effectiveness of the fraud risk management in the Company.
- 2 To review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds.
- 3 To oversee the effectiveness of the framework for Early Warning Signals
- 4 The coverage and periodicity of such reviews shall be on a Half Yearly basis or earlier, as and when required.
- 5 To reconstitute the Committee of Executive (CoE) for Monitoring of Fraud and to delegate the powers as prescribed under the RBI Direction or any other power.

Composition of Special Committee of the Board for Monitoring and Follow-Up of Cases of Frauds :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Radhakrishnan Ramachandra Iyer	13-08-2024	Chairman	0	0	0
2	Mr. Tushar Aggarwal	13-08-2024	Member	0	0	0
3	Mrs. Shruti Aggarwal	13-08-2024	Member	0	0	100
4	Mr. Vijay Ronjan	13-08-2024	Member	0	0	0
5	Ms. Aparna Bihani*	31-01-2025	Member	0	0	0
6	Mr. Varun Chhabra**	14-11-2025	Member	0	0	0
7	Mr. Ankur Bansal**	14-11-2025	Member	0	0	0

*Ms. Aparna Bihani was a member of the Committee up to 14 November 2025.

**Mr. Varun Chhabra and Mr. Ankur Bansal were appointed as members of the Committee with effect from 14 November 2025.



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c.7 Pricing Committee

The Pricing Committee has been constituted by the Board to oversee the Company's pricing framework and lending practices. The Committee reviews pricing methodologies, lending policies and related processes to ensure that they remain aligned with the Company's business strategy, risk appetite and applicable regulatory requirements.

Terms of Reference :

- 1 Establish and modify credit portfolio limitations, including the Company's lending rates basis on the nature of loan products.
- 2 Review any changes in the methodology of for determining rate of interest, charges and fees for the loan products.
- 3 Establish or modify the delegation of authority for waiver of charges and fees.
- 4 Oversight of the credit and lending strategies and objectives of the Company.
- 5 Oversight of the credit risk management of the Company, including reviewing the Loan/Credit Policies and establishing portfolio limits.
- 6 Reviewing the quality and performance of the Company's credit portfolio.
- 7 Reviewing the strategies to develop and achieve credit and lending goals of the Company.
- 8 Ensuring problem loans and bad debts are dealt with expeditiously to minimize credit loss and maximize recoveries.
- 9 Reviewing the Company's portfolio trends - growth, target market composition, risk quality rating, and tenor etc.
- 10 Any other roles and responsibilities as delegated by the Board from time to time.

Composition of Pricing Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mrs. Shruti Aggarwal	13-08-2024	Chairman	8	8	100
2	Mr. Tushar Aggarwal	09-10-2024	Member	8	8	0
3	Mr. Vijay Ronjan*	09-10-2024	Member	3	3	0
4	Mr. Varun Chhabra	13-08-2024	Member	8	8	0
5	Mr. Ashish Jha	13-08-2024	Member	8	8	0
6	Mr. Pankaj Kumar	13-08-2024	Member	8	8	0
7	Ms. Aparna Bihany*	13-08-2024	Member	3	3	0
8	Mr. Amit Doger**	13-08-2025	Member	3	3	0

*Mr. Vijay Ronjan and Ms. Aparna Bihany were the members of the Committee till 13th August, 2025.

**Mr. Amit Doger was appointed as the member of the Committee w.e.f. 13th August, 2025.



c.8 Information Security Committee

The Information Security Committee has been constituted by the Board to oversee the Company's information security and cyber security framework. The Committee is responsible for ensuring the confidentiality, integrity and availability of information assets by reviewing the effectiveness of information security policies, monitoring cyber security risks, overseeing regulatory compliance and promoting a robust security governance framework across the organisation.

Composition of Information Security Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Amit Doger*	18-09-2024	Chairman	3	3	0
2	Mr. Pankaj Badgotra*	13-03-2025	Member	3	3	0
3	Ms. Aparna Bihany*	18-09-2024	Member	3	3	0
4	Mr. Karan Talwar*	18-09-2024	Member	3	3	0
5	Mr. Pankaj Kumar	18-09-2024	Member	4	4	0
6	Mr. Ram Basnet	18-09-2024	Member	4	4	0
7	Mr. Varun Chhabra**	24-12-2025	Member	1	1	0
8	Mr. Siddharth Mahajan**	24-12-2025	Member	1	1	0
9	Mr. Abhishek Gupta**	24-12-2025	Member	1	1	0

*Mr. Amit Doger, Mr. Pankaj Badgotra, Ms. Aparna Bihany and Mr. Karan Talwar were the members of the Committee till 24th December, 2025.

**Mr. Varun Chhabra, Mr. Siddharth Mahajan and Mr. Abhishek Gupta were appointed as the members of the Committee w.e.f. 24th December, 2025.

c.9 Internal Complaints Committee (Posh Committee)

The Internal Complaints Committee (ICC) has been constituted in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The Committee is responsible for ensuring a safe, secure and inclusive workplace by preventing and addressing incidents of sexual harassment, promoting awareness of the Company's POSH Policy and ensuring timely, fair and confidential redressal of complaints in compliance with applicable laws.

Terms of Reference :

Scope as defined under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

Composition of Internal Complaints Committee (Posh Committee) :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mrs. Shruti Aggarwal*	17-08-2022	Presiding Officer	0	0	100
2	Ms. Amrita Shetty*	31-01-2025	Member	0	0	0
3	Mr. Varun Chhabra	17-08-2022	Member	0	0	0
4	Ms. Ritika Dhamija	17-08-2022	External Member	0	0	0
5	Ms. Kanika Sikka	17-08-2022	Member	0	0	0
6	Ms. Aparna Bihany*	31-01-2025	Member	0	0	0
7	Mr. Bibhor Halan**	14-11-2025	Member	0	0	0
8	Mr. Ankur Bansal**	14-11-2025	Member	0	0	0
9	Ms. Rashmi Priya**	14-11-2025	Member	0	0	0
10	Ms. RishikaPatodi***	11-02-2026	Member	0	0	0
11	Mr. Ashish Bansal***	11-02-2026	Member	0	0	0
12	Ms. Deepti Agnihotri***	11-02-2026	Member	0	0	0
13	Ms. Neha Kundaliya	29-04-2026	Member	0	0	0

* Ms. Shruti Aggarwal, Ms. Amrita Shetty and Ms. Aparna Bihany were the members of the Committee till 14th November, 2025

***Ms. Rishika Patodi, Mr. Ashish Bansal and Ms. Deepti Agnihotri were added as the members of the Committee w.e.f. 11th February, 2026.



c.10 Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted by the Board to oversee the Company's Corporate Social Responsibility initiatives in accordance with the provisions of the Companies Act, 2013. The Committee guides the formulation, implementation and monitoring of the CSR Policy and ensures that the Company's social responsibility programmes create sustainable value for the community.

Terms of Reference :

Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013

Composition of Corporate Social Responsibility Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Tushar Aggarwal	17-08-2022	Chairman and Managing Director	1	0	0
2	Mrs. Shruti Aggarwal	17-08-2022	Director	1	1	0
3	Mr. Radhakrishnan Ramachandra Iyer	17-08-2022	Independent Director	1	1	0
4	Mr. Satish Chandra Sinha	17-08-2022	Special Invitee	1	1	0

c.11 Management and Operations Committee

The Management and Operations Committee has been constituted by the Board to facilitate the efficient execution of operational and administrative matters delegated by the Board. The Committee is responsible for overseeing routine business operations, approving operational decisions within its delegated authority and ensuring the smooth and effective conduct of the Company's day-to-day activities in compliance with applicable laws, regulatory requirements and internal policies.

Composition of Management and Operations Committee :

S No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Tushar Aggarwal	17-08-2022	Managing Director	81	81	0
2	Mrs. Shruti Aggarwal	17-08-2022	Director	81	81	100
3	Mr. Emamy Srinivas Pramodh*	28-05-2025	Special Invitee	31	31	0
4	Mr. Varun Chhabra	28-05-2025	Special Invitee	75	75	0
5	Mr. Bibhor Halan**	14-11-2025	Special Invitee	40	40	0
6	Pankaj Kumar***	29-04-2026	Special Invitee	0	0	0

*Mr. Emamy Srinivas Pramodh was the special invitee of the Committee till 14th November, 2025.

**Mr. Bibhor Halan was added as the special invitee of the Committee on 14th November, 2025.

***Mr. Pankaj Kumar Chief Financials Officer was added as the special invitee of the Committee on 29th April, 2026.

d. General Body Meetings

S No.	Type of Meeting	Date and Place	Special Resolutions Passed
1	Annual General Meeting	30-09-2025, Delhi	1. To Approve the Limit of Issuance of Non-Convertible Debentures upto INR 4000 Crores. 2. To Approve the Borrowing Limits U/S 180(1)(c) upto INR 4000 Crore ECB, Debentures, CPs, PTCs, Securitization and Term Loans. 3. To Approve Creating Security on the Assets of the Company U/S 180(1)(a) upto INR 4000 Crore.
2	Extra- Ordinary General Meeting	08-09-2025, Delhi	Alteration of the Articles of Association of the Company with respect to Deletion of the Common Seal Clause
3	Extra- Ordinary General Meeting	02-01-2026, Delhi	To Approve the Appointment of Mr. Botlaguduru Srinivas as an Independent Director of the Company

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

51 Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets
Contingent Liabilities and Commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. The details of Contingent Liabilities are listed below:-

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Legal cases in respect of compensation demanded by customers	17.70	17.78
Legal cases in respect of compensation demanded by employees	-	-
Legal case in respect of third parties	1.50	1.50
First Loss Default Guarantee Provided to Colenders*	331.58	634.74
Total	350.78	654.02

Refer note 6 for undisbursed commitment relating to loans.

*Potential claims for First Loss Default Guarantee Provided to Colenders is the borrowers' default guaranteed to be settled to colenders as an when an invocation event occurs.

Commitments

The Company provides a First Loss Default guarantee (FLDG) with regards to collection of repayment amount due from the Customer(s) in the event of failure on the part of the Borrower(s) in complying with the Obligations and the occurrence of an Event of Default under the terms of the Colending Agreements with its Co-Lenders. The company has paid FLDG amounting to Rs. 363.02 Lakhs during the year ended 31st March, 2026 and Rs. 4,574.69 Lakhs during the year ended 31st March, 2025.

Note: The amount paid by company as FLDG is within the limit prescribed under Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 issued by the Reserve Bank of India on 28th November, 2025

Income Tax Disputes

Particulars	As at March 31, 2026	As at March 31, 2025
1. Demand order u/s 143(1) for AY 2020-21 issued by the Income Tax Department	Rs. 9.84 Lakhs	Rs. 9.84 Lakhs
2. Ongoing scrutiny and penalty proceedings initiated by the Income Tax Department	NA	Rs. 304.24 Lakhs
3. CGST department audit for financial years 2018-19 to 2023-24	Rs. 79.90 Lakhs	Not Quantifiable
4. Demand order u/s 143(3) for AY 2023-24 issued by the Income Tax Department	Rs. 0.81 Lakhs	NA

Notes:

1. The above figures have been disclosed to the extent quantifiable.
2. The Company is in the process of filing a rectification of return under Section 154 of the Income Tax Act with respect to the demand mentioned in Item 1. However, the income tax portal does not allow submission of the rectification request due to a technical issue (return status being "under process").
3. Against the matter reported under Item 3, Rs. 1.50 Lakhs has been paid (including Rs. 0.87 Lakhs towards interest and penalty) during the year ended 31st March 2025. This payment has not been made under any dispute.
4. The Company is contesting all the above matters. Based on management's assessment and in accordance with Ind AS 37, no provision has been recognized in the financial statements as the obligation is not considered probable at this stage.

- 52** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.
- The audit trail feature was enabled at the database level software used by the company for loan processing throughout the year commencing from 1st April, 2024. Further, the company, in respect of financial year commencing on 1st April 2024, has used a separate accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the software.
- Further, the same has been retained throughout the year and was accessible reporting period.
- The backup of books of accounts and other books and papers of the Company have been maintained in electronic mode on servers physically located in India on a daily basis.

53 Post reporting date events:-

Approval of Financial Statements: The financial statements of the Company for the year ended March 31, 2026 were approved for issue in accordance with the resolution of the Board of Directors dated 29th May, 2026.

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Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

54 (i) Capital management:

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, and rating are maintained.

Consistent with peers in the industry, the Company monitors capital on the basis of debt-equity ratio which is computed as Debt (Total Borrowings) divided by Total Equity as shown in the balance sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Debt	2,25,842.89	1,07,010.85
Equity (including capital reserve) (Net Worth*)	72,556.46	65,073.04
Debt-Equity Ratio	3.11	1.64

*Net Worth has been calculated and presented as prescribed under the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 issued on 28th November, 2025.

Objective

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of debt less cash and bank balances as presented on the face of balance sheet.

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

(ii) Regulatory Capital

Capital Risk Adequacy Ratio (CRAR) and other key financial parameters as at March 31, 2026 and March 31, 2025 of the Company are as under:

Particulars	Without Considering Off Balance Sheet exposure		After Considering Off Balance Sheet Exposure	
	As at March 31, 2026		As at March 31, 2025	
	Amount	Percentage	Amount	Percentage
Net Owned Funds/Tier 1 CRAR	72,556.46	20.44%	72,556.46	20.44%
Tier 2 CRAR	4,436.36	1.25%	4,436.36	1.25%
Total Capital Funds	76,992.82	21.69%	76,992.82	21.69%
Risk Weighted Assets	3,54,908.63		3,54,963.50	
			2,10,793.95	31.18%

Note: The above disclosures have been calculated and presented as prescribed under the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 issued on 28th November, 2025.

55 Financial risk management objectives and policies

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial company, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. In accordance with the RBI guidelines to enable NBFCs to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Asset Liability Management Committee (ALCO) and Risk Management Committee. Risk Management Committee reviews risk management in relation to various integrated risks of the Company. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements. The Risk Management Policy is periodically refined based on emerging market trends and the Company's own experience. The Risk Management Policy is periodically refined based on emerging market trends and the Company's own experience.

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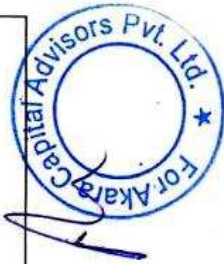


Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

55.1 Types of Risks

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

Risk	Exposure arising from	Measurement	Management
Credit Risk- Credit risk is the risk in which arises when borrowers or counterparties fail to fulfil their contractual obligations. This form of risk is an intrinsic component of the Company's lending operations.	Loan receivables and financial assets measured at amortised cost	Expected loss analysis. Measured as the amount that could be lost if a customer or counterparty fails to make repayments;	Credit risk analysis, diversification of customers/asset base, credit limits and collateral.
Liquidity Risk- Liquidity Risk is the risk that an entity may be unable to meet its financial obligations as they become due, or may have to do so at a significantly high cost.	Liquidity risk arises from the Company's potential inability to meet its financial obligations, including borrowings and other liabilities, due to mismatches in the timing of cash inflows and outflows. This risk becomes more pronounced when illiquid asset positions cannot be monetized or refinanced on expected terms or within the required timeframe.	Measured using a range of indicators, including asset-liability mismatches, the debt-equity ratio, and rolling cash flow forecasts. The Company also undertakes regular monitoring of funding levels to ensure timely availability of resources for business operations and to meet the maturity profile of its financial liabilities.	Maintaining access to committed credit lines and borrowing facilities. Ensuring a diversified mix of funding sources and adequate liquid assets to provide flexibility in meeting its operational and financial obligations as they fall due.
Market Risk- Market risk refers to the potential for loss in the Company's income or portfolio value due to adverse movements in market variables such as interest rates, equity prices, foreign exchange rates, and index levels.	Non-current borrowings bearing variable interest rates, as well as Foreign Loans denominated in US Dollars. These exposures are subject to interest rate and foreign exchange fluctuations.	Measured using sensitivity analysis, which provides a detailed assessment of potential gains or losses under various market movement scenarios. This helps evaluate the Company's exposure to changes in interest rates, foreign exchange rates, and other market variables.	Market risk arising from changes in interest rates and currency fluctuations is managed within risk limits approved by the Risk Management Committee. The Company uses hedging instruments such as currency derivatives, including option contracts and cross-currency interest rate swaps, to mitigate exposure to foreign exchange volatility.
Compliance Risk- Compliance Risk is the potential for material loss and legal penalties arising from violations of, or non-conformance to, industry regulations, laws, and codes of conduct	Compliance risk arises from the possibility of non-adherence to applicable statutory, regulatory, and legal requirements. This includes, but is not limited to, compliance obligations under the following legislations: -The Companies Act, 2013 -The Income-Tax Act, 1961 -The Indian Contract Act, 1872 -Securities and Exchange Board of India Act, 1992 -Reserve Bank of India Act, 1934 -The Central Goods and Services Tax Act, 2017 -The Integrated Goods and Services Tax Act, 2017 -State Goods and Service Tax Acts -Payment of Wages Act, 1936 -Minimum Wages Act, 1948 -The Payment of Bonus Act, 1965 -Payment of Gratuity Act, 1972 -Employees' Provident Funds and Miscellaneous Provisions Act, 1952 -The Employees State Insurance Act, 1948 -Foreign Exchange Management Act, 1999 -Micro, Small and Medium Enterprises Development Act, 2006 and other applicable laws, rules, regulations, circulars, notifications, and amendments issued from time to time.	Compliance risk is monitored through a structured Compliance Calendar prepared on a quarterly basis. The calendar covers key regulatory requirements under RBI, SEBI, and MCA, and includes: -Relevant legal provisions -Forms and returns to be filed -Nature of information to be submitted -Periodicity, timelines, and due dates -Applicable penalties for non-compliance This framework enables proactive tracking and timely fulfillment of regulatory obligations.	Designated responsible persons are identified for each compliance activity to ensure timely and accurate execution. Relevant data is prepared, validated, and provided for regulatory filings, and the progress of each compliance requirement is continuously monitored. In cases of actual or potential delays, corrective actions are promptly initiated to expedite the process and minimise or avoid penalties.



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Risk	Exposure arising from	Measurement	Management
Strategic and Operational Risk- Strategic and operational risk refers to the potential for loss arising from ineffective strategic decisions or from failures in internal processes, people, systems, or from external events that may disrupt normal business operations.	The Company is exposed to strategic and operational risks arising from the following: Interest Rate Policy: Lack of a formalised or approved policy for determining interest rates and charges may result in inconsistencies in pricing and non-compliance with internal governance standards. Personal Loans Regulation: In the absence of specific regulatory oversight, personal loans may be extended to borrowers with weak repayment capacity, unverifiable identities, or poor credit histories, increasing the risk of credit losses and operational inefficiencies.	A dedicated Strategy Team is constituted to identify risks associated with the Company's operations and to formulate appropriate policies to mitigate such risks. The team is also responsible for monitoring compliance with these policies to ensure effective risk management and control implementation.	The Company has implemented a Board-approved Interest Rate Policy that outlines internal principles and procedures for determining interest rates, processing fees, and other charges. It mandates appropriate disclosures of the rationale behind such charges in application forms, sanction letters, and on the Company's website to ensure transparency and consistency. In addition, a formal Personal Loans Regulation Policy has been adopted to govern the disbursement of personal loans. The policy defines eligibility criteria including age, purpose, household income, loan amount, and tenure. It also mandates rigorous verification procedures such as bank statement analysis and documentation checks to ensure that loans are extended only to genuine borrowers with adequate repayment capacity.
Reputational Risk- Reputational risk refers to the potential for negative stakeholder perception resulting from a failure to meet expectations, regulatory non-compliance, unethical practices, or operational lapses, which may adversely affect the Company's credibility and stakeholder trust.	Reputational risk may arise from: -Inappropriate or unauthorised use of social media to spread negative publicity -Account takeovers and malware distribution via the Company's social media channels -Viral escalation of incidents due to the wide reach of social media -Employee unawareness of legal obligations, leading to potential legal repercussions -Accidental sharing of sensitive information by employees -Inconsistent brand messaging across platforms -Defamation or privacy breaches by employees or external parties -Failure to respond to complaints or negative publicity in a timely manner	The Company has constituted dedicated Marketing, Legal, and Compliance teams to identify and assess reputational risks, particularly those arising from social media. A formal Social Media Policy has been implemented to monitor online activity and address potential threats, ensuring proactive risk awareness and control.	The Company has implemented a Board-approved Social Media Policy that outlines governance for online conduct. A designated Social Media Coordinator oversees all social media activity through a secure management platform with restricted access, two-factor authentication, monitoring tools, and regular audits. The policy also includes defined processes for initiating social media activity, protecting customer and Company data, and ensuring compliance with privacy standards. Employees receive regular training, and transparent communication practices are maintained. Customer complaints and negative feedback are addressed promptly to strengthen public trust.

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The Company's Principal financial liabilities majorly comprise borrowings (including debt securities). The main purpose of these financial liabilities is to finance the company's operations. At the other hand company's Principal financial assets include loans and cash and cash equivalents that derive directly from its operations.

As a lending institution, the Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. Company's risk management framework is driven by Board and its sub committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Company gives due importance to prudent lending practices and has implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan-to-value, and required term cover for insurance. The major types of risk Company faces in business are liquidity risk, credit risk, market risk.

(A) Credit risk

Credit Risk arises from the risk of loss that may occur from the default of the Company's customers under loan agreements and against its investments and credit substitutes. Customer defaults and inadequate collateral may lead to higher credit-impaired assets. The Company addresses credit risks by using a set of credit norms and policies, which are approved by the Board and backed by analytics and technology. The Company has implemented a structured and standardised credit approval process, including customer selection criteria, comprehensive credit risk assessment, and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the creditworthiness of a potential customer. Actual credit exposures, credit limits, and asset quality are regularly monitored and analyzed at various levels. The Company has created a robust credit assessment and underwriting practice that enables it to fairly price credit risks.

Credit quality of a customer is assessed based on their creditworthiness, historical dealings with the Company, and market intelligence. Outstanding customer receivables are regularly monitored. The credit quality review process aims to enable the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Derivative financial

Credit risk arising from derivative financial instruments is limited, at any given time, to contracts where the Company is in a mark-to-market gain position, as recognised in the balance sheet. For net-settled derivatives, the exposure is limited to the net amount due from the counterparty. In the case of gross-settled derivatives, the Company is also exposed to settlement risk—i.e., the risk that the Company fulfils its obligation but the counterparty fails to deliver the corresponding value.

Impairment Assessment:

The Company applies the expected credit loss (ECL) model for recognising impairment loss. The ECL allowance is computed based on a provision matrix that incorporates historical credit loss experience and is adjusted for forward-looking information.

The ECL is determined as a product of Exposure at Default (EAD), Probability of Default (PD), and Loss Given Default (LGD). The Company has developed an internal model to estimate PD and LGD in line with the parameters specified under Ind AS, including qualitative factors related to an individual account or a pool of retail loan exposures. Based on this assessment, loans are classified into the following stages:

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

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

For Details on EAD, LGD, PD refer Note no 5.

Stage wise Impairment of loan assets is detailed in Note no 38

Exposure to credit risk

The carrying amount of financial assets measured at amortized cost represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 2,78,315.22 Lakhs and Rs. 1,64,173.18 Lakhs as of 31 March 2026 and 31st March 2025 respectively, representing the total carrying value of loan assets.

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required. The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs.

For details on the maturity profile of the undiscounted cash flows of the company financials liabilities as at 31 March 2026 and 31 March 2025, refer Note 50(E).



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Contractual expiry of commitments

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

Particulars	On Demand*	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Undrawn committed credit lines	3,54,882.04	-	-	-	-	3,54,882.04

As at March 31, 2025

Particulars	On Demand*	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Undrawn committed credit lines	2,61,285.33	-	-	-	-	2,61,285.33

* Subject to approval by the Company

Financing arrangements

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

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed rate		
Expiring within one year (Loan from Financial Institutions)		
Expiring beyond one year (Loan from Financial Institutions)	500.00	500.00

(C) Market Risk

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

Total Market risk exposure

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying amount	Traded Risk	Carrying amount	Traded Risk
Financial Assets				
Cash and Cash Equivalents	8,609.88	-	2,922.43	-
Bank balances other than above	16,108.49	-	8,315.35	-
Trade Receivables	1,366.67	-	2,307.92	-
Loans	2,75,895.64	-	1,63,645.30	-
Investments	-	-	-	-
Derivative financial instruments	4,113.01	4,113.01	397.12	397.12
Other financial assets	1,451.77	-	2,112.05	-
Total financial assets	3,07,545.45	4,113.01	1,79,700.16	397.12
Financial Liabilities				
Derivative financial instruments	-	-	-	-
Trade payables	1,262.84	-	2,545.15	-
Debit Securities	1,21,642.12	-	31,913.46	-
Borrowings (Other than debt securities)	1,04,200.77	-	75,097.38	-
Other financial liabilities	1,203.43	-	1,192.97	-
Total financial liabilities	2,28,309.16	-	1,10,748.96	-



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A. Interest Rate Risk:-

The company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity years that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the company seeks to optimize borrowing profile between short-term and long-term loans. The company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report metricaly for assessment of interest rate risks.

Interest Rate sensitivity

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The company's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the company's net interest income, while a long term impact is on the company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored. The table below provides an analysis of impact of interest rate movement on company's earnings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

Particulars	Basis Points	Effect on Profit before tax As at March 2026	Effect on Profit before tax As at March 2025
Borrowings			
Increase in basis points	100	(138.43)	(130.89)
Decrease in basis points	-100	138.43	130.89

B. Foreign currency risk:-

The Company has foreign exchange exposure in the form of borrowings from overseas lending agencies as part of its resources raising strategy. Large cross border flows together with the volatility may render company's Balance Sheet vulnerable to exchange rate movements. As per its Board approved policy, company mitigates the foreign exchange risk through Forward Rate Contract (derivatives transactions) of one of the tranches of Foreign Loan.

Foreign currency risk exposure:

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

Particulars	As at March 31st, 2026	As at March 31st, 2025
	Against USD	Against USD
Financial assets		
Bank balance in foreign currency		
Derivative assets		
Gross Currency Interest Rate Swaps		206.26
Option Contracts (US Dollar Call / INR Put)	4,113.01	190.86
Financial liabilities		
Borrowings in Foreign currency*	67,061.19	55,028.84
Derivative liabilities		
Gross Currency Interest Rate Swaps		
Net exposure to foreign currency risk (Assets) / Liabilities	62,948.18	54,631.71

*The above foreign currency exposure includes revaluation reserve as on the reporting date.

Sensitivity

Sensitivity of Statement of Profit and Loss due to changes in exchange rates arises mainly from foreign currency denominated financial instruments. The below mentioned table presents the Impact on Statement of Profit and Loss (+ Gain / (-) Loss) due to changes in foreign currency exchange rate by 5% (against INR) on foreign currency exposure*:-

Particulars	As at March 31, 2026	As at March 31, 2025
	Decrease	Increase
USD Sensitivity		
Holding all other variables constant	310.49	235.86
	(310.49)	(235.86)



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56 Other Disclosures
A Exposures to various sectors. Refer Note 50(f) to Financial Statements.

Items	Related Party	Outstanding at year end/ Highest Outstanding during the year	Parent (As per ownership and control)		Subsidiaries		Associates/ Joint ventures/ Fellow Subsidiaries		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
			March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Borrowings		Outstanding at year end	67,061.19	55,028.84	-	-	-	-	-	-	-	-	-	-	67,061.19	55,028.84
		Highest Outstanding during the year	67,061.19	55,028.84	-	-	-	-	-	-	-	-	-	-	67,061.19	55,028.84
Deposits		Outstanding at year end	-	-	-	-	596.00	170.00	-	45.00	-	-	225.00	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid		Outstanding at year end	525.37	409.94	-	-	-	-	-	-	-	-	-	-	525.37	409.94
		Highest Outstanding during the year	1,254.95	1,109.27	-	-	2.29	5.70	-	0.21	-	-	1.06	-	1,257.24	1,115.23
Interest Received		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director Sitting Fees		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	7.88	-	7.88	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	7.88	-	7.88	-
Managerial Remuneration to KMP		Outstanding at year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Highest Outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others		Outstanding at year end	5.00	813.18	-	-	957.27	998.47	-	-	-	-	-	-	962.27	1,811.65
		Highest Outstanding during the year	30.00	813.18	-	-	3,243.32	1,551.82	13.22	-	-	-	-	9.45	3,286.53	1,974.45

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C During the FY 2025-26, there were some instances of covenant breaches as disclosed Below:

Covenants	Quarter ending	ISIN	Required Value	Actual Value
(Portfolio at Risk over 90 days + Trailing 6 months write-off): Trailing 12 months Disbursements	30th June, 2025	INE08XP07274	Maximum of 5.00%	6.33%
	30th September, 2025			5.66%
	31st December, 2025	INE08XP07357	Greater than 22.00%	21.17%
	31st March, 2026			21.69%
Capital Risk Adequacy Ratio	31st December, 2025	INE08XP07365	Greater than 22.00%	21.17%
	31st March, 2026			21.69%
Debt to Equity (On Consolidated Basis)	31st March, 2026	INE08XP07357	Less than 2.50 times	2.80 Times
		INE08XP07365		2.80 Times

During the FY 2024-25, there were some instances of covenant breaches as disclosed Below:

Covenants	Quarter ending	ISIN	Required Value	Actual Value
Tier I Capital (As per RWA of Loans & Advances as 125%) Portfolio at risk over 90 days plus write Offs of trailing 12 months (on the issuer's entire portfolio including receivable sold or discounted on non-recourse basis): Gross Loan Portfolio	30th June, 2024	INE08XP07076	Minimum of 25.00%	24.14%
	30th June, 2024	INE08XP07084	Maximum of 8.00%	20.73%
	31st December, 2024 31st March, 2025	INE08XP07274	Maximum of 5.00%	6.87% 6.42%

D. Divergence in Asset Classification and Provisioning

The RBI has neither assessed any additional provisioning requirements in excess of 5% of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2026 and March 31, 2025, nor identified any additional Gross NPAs in excess of 5% of the reported gross NPAs for the said period.

E. Disclosure on modified opinion, if any, expressed by auditors, its impact on various financial items and views of management on audit qualifications as on March 31, 2026 - Nil (March 31, 2025- Nil)

F. Items of income and expenditure of exceptional nature for the year ended March 31, 2026 - Nil (March 31, 2025- Nil)

G. Disclosure of complaints – Refer Note 50J to Financial Statements.

H. a) There are no Prior Period Items for the year ended March 31, 2026 and March 31, 2025 other than those disclosed in Note 23: Finance Cost.
b) There are no Changes in Accounting Policy for the year ended March 31, 2026

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

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2026	As at March 31, 2025
Provisions for depreciation on Investment		
Provision towards NPA*	3,955.58	1,203.33
Provision for Standard Assets**	1,020.19	(398.03)
Provision made towards Income Tax	3,662.58	3,024.89
Provision made towards Deferred Tax	(27.23)	224.31
Provision for Corporate Social Responsibility	242.13	158.18

*Represents impairment loss allowance on Stage 3 Loan assets based on ECL Model in line with Ind AS 109. This also includes impairment provision towards FLDG Recoverable (such assets are shown in Note 50I)

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



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57 Disclosure as required by Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I. Disclosures relating to Loans and Advances

S. No	Loans and Advances in the nature of loans	Year Ended March 31, 2026		Year Ended March 31, 2025	
		Amount as on March 31, 2025	Maximum Amount Outstanding during the year ended March 31, 2025	Amount as on March 31, 2025	Maximum Amount Outstanding during the year ended March 31, 2025
a)	To Associates	Nil		Nil	
b)	To Companies in which directors are interested				

II. Disclosures relating to Investments

The Company does not have investment in equity shares of any entity during the year ended 31st March, 2026 and 31st March, 2025.

58 Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

S.no	Particulars	Formula	Unit	As at/For the year ended March 31, 2026	As at/For the year ended March 31, 2025
1	Debt – Equity Ratio	(Debt Securities + Borrowings other than debt securities + Subordinated debts) / (Net worth)	Times	3.11	1.70
2	Net worth	(Share Capital + Reserves & Surplus - Deferred Revenue Expenditure - Intangible Assets - Deferred Tax Assets - DLG Outstanding)	Rs In Lakhs	72,556.46	63,096.84
3	Net profit after tax		Rs In Lakhs	8,337.25	8,484.40
4	Total debts to total assets	(Debt Securities + Borrowings other than debt securities + Subordinated debts) / (Total assets)	Times	0.73	0.58
5	Net profit margin (%)	(Net profit after tax / Revenue from Operations)	Percentage	8.89%	11.96%
6	Return on Equity	(Net profit after tax / Average Shareholder's Equity)	Times	0.11	0.13
7	Return on Capital Employed	Earning Before Interest & Taxes / Capital Employed	Percentage	17.26%	21.16%
8	Return on Investment Ratio	Interest Income on Bank Deposits / Current & Non Current Bank Deposits	Percentage	4.94%	8.40%
9	Earnings per share				
(i)	Basic	(Net profit attributable to the equity shareholders / Weighted average number of shares used in basic earning per share (absolute))		2.63	2.68
(ii)	Diluted	(Net profit attributable to the equity shareholders / Weighted average number of shares used in diluted earning per share (absolute))		2.63	2.68
10	Financial Assets to Total Assets	(Total Financial Assets / Total Assets)	Percentage	88.03%	98.43%
11	Financial Income to Total Income	(Total Financial Income / Total Income)	Percentage	98.33%	99.98%
12	Capital Tier 1	(Net Owned Funds)	In Lakhs	72,556.46	63,096.84
13	Capital Tier II	(General provisions and loss reserves including Provision for Standard Assets (to the extent not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of 1.25% of RWA)	In Lakhs	4,436.36	2,634.78
14	Total Risk Weighted Assets		In Lakhs	3,54,908.63	2,10,782.45
15	Capital Adequacy Ratio	((Capital Tier1+ Capital Tier 2)/Total Risk Weighted Assets)	Percentage	21.69%	31.18%
16	Gross NPA (%)	(Gross NPA/Gross Loans)	Percentage	4.38%	4.55%



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S.no	Particulars	Formula	Unit	As at/For the year ended March 31, 2026	As at/For the year ended March 31, 2025
17	Net NPA (%)	(Net NPA/ (Gross Loans-Impairment Allowance)	Percentage	1.25%	1.64%
18	Provision Coverage Ratio	(Impairment Allowance of stage 3 Loans/ Gross Stage 3 Loans)	Percentage	72.34%	65.15%
19	Debt Service Coverage ratio		NA		
20	Interest Service Coverage ratio		NA		
21	Outstanding Redeemable Preference Shares		NA		
22	Debenture Redemption Reserve		NA		
23	Current Ratio		NA		
24	Long Term Debt to Working Capital		NA		
25	Bad Debt to Amount Receivable		NA		
26	Current liability Ratio		NA		
27	Debtors Turnover Ratio		NA		
28	Inventory Turnover Ratio		NA		
29	Operating Margin (%)		NA		

Notes:

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

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

2 Capital Redemption Reserve/Debenture Redemption Reserve is not applicable to the company

3 In the calculation of Net Owned Funds(NOF), Deferred Revenue Expenditure Includes Unamortised Borrowing Cost and DLG Outstanding has been deducted in accordance with Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 issued on 28th November, 2025. Figures for previous year has been reported accordingly.

4 NPA Calculations are stated based on stage 3 loans.

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

The Company is not a Large Corporate as per the applicability criteria given under SEBI circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023. Thus, disclosures with reference to mandatory borrowings through issuance of debt securities is not being given.

A Disclosure with reference to Qualified borrowing in accordance with SEBI circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172:-

S.No.	Particulars	Amount
i	Outstanding Qualified borrowing of company as on March 31st, 2026	1,48,224.41
ii	Outstanding Qualified borrowing of company as on March 31st, 2025	51,638.23
iii	Incremental borrowing done in FY 2026 (qualified borrowing)	1,49,564.26
iv	Borrowings by way of issuance of debt securities during the FY 2025-26	95,250.00

S.No.	Particulars	Amount
i	Outstanding Qualified borrowing of company as on March 31st, 2025	51,638.23
ii	Outstanding Qualified borrowing of company as on March 31st, 2024	29,884.36
iii	Incremental borrowing done in FY 2025 (qualified borrowing)	57,542.25
iv	Borrowings by way of issuance of debt securities during the FY 2024-25	33,632.85

60 Disclosure in respect of Indian Accounting Standard (Ind AS) – 38 "Intangible Assets"

During the year ended March 31, 2026, the Company has capitalized an amount of Rs. 19.39 lakhs (March 31, 2025- Rs. 49.16 lakhs) relating to self generated intangible assets for development of software. Refer Note 10(c) to Financial Statements.

As at March 31, 2026, the Company has disclosed an amount of Rs. 877.78 lakhs (March 31, 2025: Rs. 19.39 Lakhs) under "intangible assets under development" related to the above. Refer Note 10(b) to Financial Statements.



Akara Capital Advisors Private Limited
Notes to the Financial Statements for the year ended March 31, 2026
(All amount in Rs. in Lakhs, unless stated otherwise)

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

62 Loans or Advances in the nature of Loans to specified persons (promoters, directors, KMPs, related parties) that are repayable on demand or without specifying any terms or period of repayment has been listed below:-

S. No.	Type of Borrower	As at March 31, 2026		As at March 31, 2025	
		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	-	-	-	-

The outstanding balance of related party loans advanced as on 31st March 2026 and 31st March 2025 is nil. Interest on such loan during the year ending March 31, 2026 amounting to Rs. Nil (March 31, 2025 - Nil)

63 Figures for the previous year have been regrouped/re-classified to confirm to the figures of the current year.

64 The above financial statements have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th May, 2026.

65 There were no whistle blower complaints received by the Company during the financial years ended March 31, 2026 and March 31, 2025.

66 The Company had no discontinuing operations during the financial years ended March 31, 2026 and March 31, 2025.

67 During the year, the Company identified certain instances of fraud involving loan accounts amounting to Rs. 3.00 lakhs (previous year: Rs. 7.65 lakhs). The said instances have been reported to the Reserve Bank of India through the prescribed Fraud Monitoring Return ("FMR"), in accordance with the applicable regulatory requirements. The company has also made recoveries amounting to Rs. 0.59 Lakhs (previous year: Rs. 4.02 lakhs) till the reporting date.

The Company has assessed the financial impact of the identified frauds, net of recoveries, and has recognised appropriate impairment allowance/provision in the financial statements, wherever considered necessary, in accordance with its accounting policies and the applicable regulatory guidelines. The Company continues to undertake necessary recovery, legal and remedial actions in respect of such cases.

68 The Company has not participated in currency futures during the year ended March 31, 2026 and March 31, 2025.

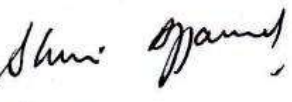
The accompanying notes are an integral part of the financial statements

As per our report of even date

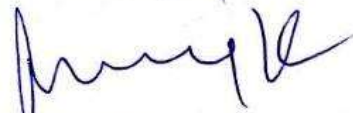
For Serva Associates
Chartered Accountants
ICAI Firm Registration No: 000272N

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


Tushar Aggarwal
(Managing Director)
DIN: 01587360
Place: New Delhi
Date: 29th May, 2026


Shruti Aggarwal
(Director)
DIN: 06867269
Place: New Delhi
Date: 29th May, 2026


Simarjeet Singh
(Company Secretary)
Membership No: F11779
Place: New Delhi
Date: 29th May, 2026


Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 29th May, 2026




Manoj Jain
Partner
Membership No. 506898
Place: New Delhi
Date: 29th May, 2026

