



AKARA CAPITAL ADVISORS
PRIVATE LIMITED

NINTH
ANNUAL REPORT
2024-25

9TH Annual Report for FY 2024-25

CORPORATE IDENTITY NUMBER (CIN) - U74110DL2016PTC290970

Board of Directors

Mr. Tushar Aggarwal – Managing Director

Ms. Shruti Aggarwal – Director

Mr. Radhakrishnan Ramachandra Iyer - Independent Director

Mr. Vijay Jasuja – Independent Director

Mr. Vijay Ronjan – Independent Director

Chief Financial Officer (CFO)

Mr. Pankaj Kumar

Company Secretary & Compliance Officer

Mr. Simarjeet Singh

Registrars & Share Transfer Agents (RTA):

Bigshare Services Private Limited

Address: 1st Floor, Bharat Tin Works Bldg.,
Opp. Vasant Oasis, Makwana Road, Marol
Andheri East, Mumbai – 400059
Tel No.: 022 6263 8200

Debenture Trustees:

Vardhman Trusteeship Private Limited

The Capital, A Wing, 412A
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Tel.: 9820024538 / 8657900675
Email: nikhil@vardhmantrustee.com
Website: vardhmantrustee.com

Catalyst Trusteeship Limited

Windsor, 6th Floor, Office No. 604
C.S.T. Road, Kalina, Santacruz (East)
Mumbai – 400 098
Tel.: 022- 49220507
Email: compliancectl-mumbai@ctltrustee.com
Website: ctltrustee.com

Mitcon Credentia Trusteeship Services Ltd.

Dalamal Tower, 1402/1403 Free Press
Journal Marg 211, Nariman point
Mumbai -400021
Tel.: 8879857930
Email: navin@mitconcredentia.com
Website: mitconcredentia.com

Axis Trustee Services Limited

2nd Floor, Plot 25, Pusa Road
Karol Bagh, New Delhi 110005
Tel.: 9999688256
Email: naveen83.kumar@axistrustee.in
Website: axistrustee.in

Beacon Trusteeship Limited

4C & D, Siddhivinayak Chambers

Gandhi Nagar, Opp MIG Cricket Club

Tel.: 022-26558759

Email: compliance@beacontrustee.co.in

Website: beacontrustee.co.in

Statutory Auditors

Serva & Associates

(Chartered Accountants)

Add: 1011-1014, 10th Floor, RG Trade Tower, Netaji

Subhash Palace, Pitampura, New Delhi-110034

Tel: 011 42502244

E-mail: Info@servamail.in

Website: www.serva.in

Registered Office

60, Second Floor, Arjun Nagar,

Kotla Mubarakpur, New Delhi, 110003

Corporate Office

Unit Nos. 1801-1805, 1806A, 1806B, 1807A,
1807B, 1815 18th Floor, Magnum Global Park 2,
Golf Course Extension Road, Sector 58,
Gurugram, Haryana, 122011.

Email – accounts@stashfin.com

Tel: 9643309883

NOTICE OF 9TH ANNUAL GENERAL MEETING

SHORTER NOTICE IS HEREBY GIVEN THAT THE 9th ANNUAL GENERAL MEETING OF THE MEMBERS OF AKARA CAPITAL ADVISORS PRIVATE LIMITED WILL BE HELD AT SHORTER NOTICE ON TUESDAY, 30TH DAY OF SEPTEMBER 2025 AT 02:30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 60, SECOND FLOOR, ARJUN NAGAR, KOTLA MUBARAKPUR, NEW DELHI - 110003 TO TRANSACT THE FOLLOWING BUSINESS (S)

ORDINARY BUSINESS:

1. Adoption of the Financial Statements of the Company for Financial Year ended on 31st March, 2025:

To receive, consider and adopt the Financial Statements containing the Balance Sheet as at 31st March 2025 and the Profit and Loss Account for the financial year ended on that date along with Notes & Schedules appended thereto together with the Boards' Report and the Auditors' Report thereon and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 134 of the Companies Act 2013, the Audited Financial Statements of the Company for the financial year ended 31st March, 2025 including Audited Balance Sheet as at 31st March, 2025 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."

SPECIAL BUSINESS:

2. To Approve the Limit of Issuance of Non-Convertible Debentures upto INR 4000 Crores.

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

"RESOLVED THAT in supersession to the previous members resolution passed on 14th November, 2024 and pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, including any modification, amendment, substitution or re-enactment thereof, for the time being in force and the provisions of the memorandum of association and the articles of association of the Company, the approval and consent of the members of the Company, be and is hereby accorded to the board of directors of the Company (the "Board") to issue, and to make offer(s) and/or invitation(s) to eligible persons to subscribe to, non-convertible debentures ((a) listed or unlisted, (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others (as may be determined)) (including market linked debentures) ("NCDs"), on a private placement basis, in one or more tranches, provided that the outstanding amounts of all such NCDs at any time during the period shall not exceed INR 4000 Crores (Indian Rupees Four Thousand Crores only)."

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

3. To approve creating Security on the Assets of the Company U/S 180(1)(A) upto INR 4000 Crore.

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

“RESOLVED THAT in supersession to the previous members resolution passed on 14th November, 2024, pursuant of Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), as amended from time to time, the consent of the Members be and is hereby accorded to the creation of such security by the Board of Directors of the Company as may be necessary on such of the assets and/or other properties whether movable or immovable or stock in trade (including Pass through Contracts {PTCs}), both present and future in such manner as the Board may determine however, that the total amount of security shall not exceed a sum of INR. 4000 Crore/- (Indian Rupees Four Thousand Crores), to or in favour of financial institution, investment institutions and their subsidiaries, banks, mutual funds, other bodies corporate or any other entities and Trustees for the holders of debentures/bonds and/or other instruments including ECB, debentures, CPs which may be issued on private placement basis or otherwise to secure loans, debentures, bonds working capital facilities and other instruments in any currency of an outstanding aggregate value not exceeding the total assets and gross current assets as per the latest audited financial statements from time to time, together with the interest thereon at the agreed rates, further interest liquidated damages, premium on pre-payment or on redemption, cost charges, expenses and all other moneys payable by the Company in relation to such loans, debentures, bonds, working capital facilities and other instruments.”

RESOLVED FURTHER THAT any of the Director, be and is hereby authorised to finalize the documents and such other agreements for creation of charge as aforesaid and to do all such acts deeds matters and things as may be necessary and expedient and also to authorize/delegate its directors/officers for giving effect to the above resolution.

4. To Approve the Borrowing Limits U/S 180(1)(C) upto INR 4000 Crore ECB, Debentures, CPs, PTCs, Securitization and Term Loans.

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

“RESOLVED THAT in supersession to the previous members resolution passed on 14th November, 2024, pursuant of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members be and is hereby accorded for borrowing/ availing financial assistance of any sum or sums of money from time to time, from any one or more Banks, Financial Institutions, Investors, Lenders, any other persons, firms, Bodies Corporate, either Indian or foreign (hereinafter referred as ‘Lenders’ or ‘Investor’), whether by way of cash credit, advances or deposits, Term loans or working capital, or any other debt, debt instrument including ECB, debentures, CPs, securitization financial assistance / facilities and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s investment, assets and/or other properties whether movable or immovable or stock in trade (including Pass through Contracts {PTCs}) and work in progress and all or any of the undertakings of the Company, notwithstanding that the money or monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) exceeds the aggregate of the paid up share capital of the company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided however, that the total amount so borrowed shall not exceed a sum of INR 4000 Crore/- (Four Thousand Crore).



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

AKAR/2025-26/SEC/462

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to execute such documents or writings as it may consider necessary, expedient or proper for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby authorised to issue certified to be true copy 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/-

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

**Date: 26th September, 2025
Place: Gurgaon**



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

NOTES:

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Akara Capital Advisors Private Limited

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

ATTENDANCE SLIP

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

Full name of the Shareholder in Block Letters: _____

Folio No. : _____

No. of Shares held : _____

I hereby record my presence at the 9th Annual General Meeting of the Company to be held on Tuesday, 30th September, 2025 at 02:30 p.m. at the registered office of the Company at 60, Second Floor, Arjun Nagar, Kotla Mubarakpur, New Delhi – 110003

Signature of the Shareholder: _____

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

-----CUT HERE-----



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



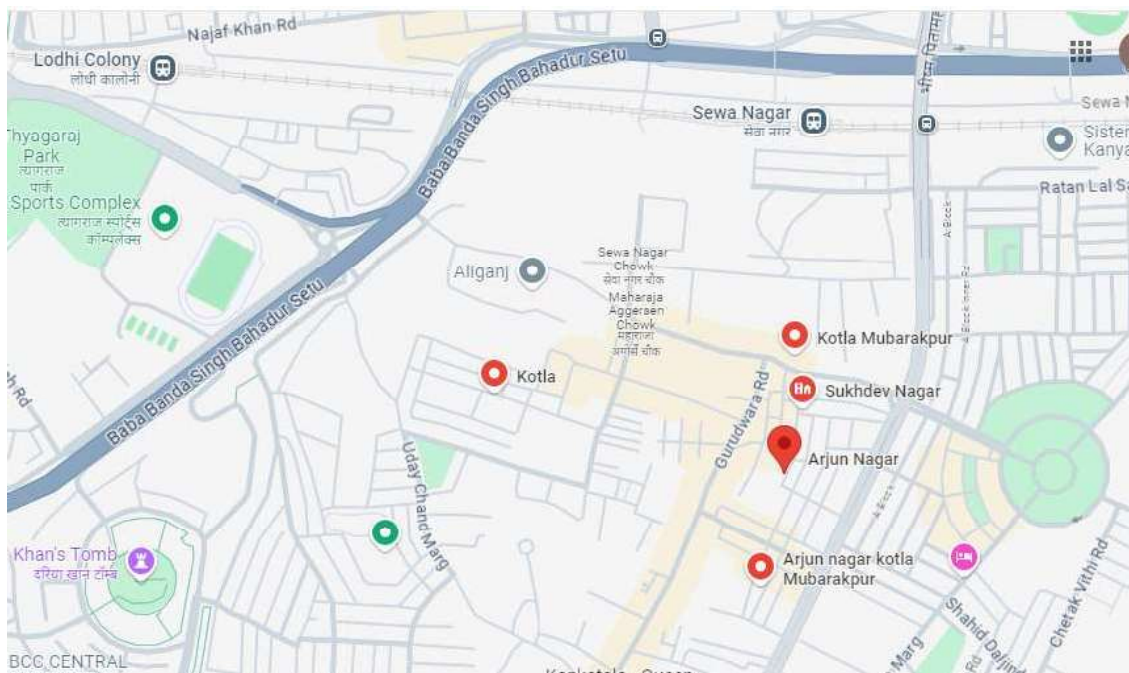
Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

ROUTE MAP TO THE VENUE OF AGM:

AKARA CAPITAL ADVISORS PRIVATE LIMITED

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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

ITEM NO. 2

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 previous 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 previous approval for all the offers or invitations for such NCDs issued during a period of 1 (one) year from the date of passing of the aforementioned special resolution.

In order to augment resources for on-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 previous 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, within the period of 1 (one) year 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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

BASIS OR JUSTIFICATION FOR THE PRICE (INCLUDING PREMIUM, IF ANY) AT WHICH THE OFFER OR INVITATION IS BEING MADE	Not applicable, as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments which will be issued 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, within the period of 1 (one) year from the date of the aforementioned resolution, provided that the amounts of all such NCDs at any time issued within the period of 1 (one) year 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, within the period of 1 (one) year 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 4000 Crores (Indian Rupees Four Thousand Crores Only) as stipulated above, in one or more tranches in supersession to the previous member's resolution passed on 14th November, 2024.

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.

ITEM NO. 3

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from issue of NCD's/CP/ECBs/Private Placement from various Banks and/or Financial Institution and /or any other lending institution and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit.

Hence it is proposed to approve the borrowing limit upto INR 4000 Crores (Indian Rupees Four Thousand Crores Only). Pursuant to Section 180(1) (c) of the Companies Act, 2013, Borrowing more than aggregate



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

AKAR/2025-26/SEC/462

amount of the paid-up capital of the Company and its free reserves at any one time requires the consent of the members of the Company in a general meeting. However, the borrowings shall not exceed any time 8 times of the equity as per the Schedule 1 of Articles of the Company.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole of the undertaking of the Company in such manner as the Board may determine.

Hence, the Ordinary Resolution at Item No. 3 of the Notice is being proposed. The Directors recommend the Ordinary Resolution as set out at Item No. 3 of the accompanying Notice, for members' approval.

ITEM NO. 4

Keeping in view the existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) exceeds the aggregate of the paid-up capital and free reserves that is to say, reserves not set apart for any specific purposes, provided however, that the total amount so borrowed shall not exceed a sum of INR 4000 Crores (Indian Rupees Four Thousand Crores Only).

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

Hence, the Ordinary Resolution at Item No. 4 of the Notice is being proposed. The Directors recommend the Ordinary Resolution as set out at Item No. 4 of the accompanying Notice, for members' approval.

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

Sd/-

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

Date: 26th September, 2025
Place: Gurgaon



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

DIRECTORS' REPORT

Dear Members,

Your Board of Directors (the “**Board**”) take pleasure in presenting the Ninth 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, 2025 (the “**Period**”).

1. FINANCIAL RESULTS

During the Financial Year ended March 31, 2025, your Company earned a revenue of INR 70,970.19 Lakhs and incurred expenditure of INR 59,236.58 Lakhs as against revenue and aggregate expenditure of INR 78,505.00 Lakhs and INR 71,293.06 Lakhs respectively during the previous financial year ended March 31, 2024.

The Company’s financial performance for the financial Year ended March 31, 2025 is summarized below:

Particulars	For the year ended March 31, 2025 (in Lakhs)	For the year ended March 31, 2024 (in Lakhs)
Total Income	70,970.19	78,505.00
Total Expenses	59,236.58	71,293.06
Profit/(Loss) before tax	11,733.61	7,211.95
Less: Tax Expenses & Deferred Tax	3,249.20	329.82
Profit /(Loss) for the year after taxation	8,484.40	6,882.13
Other Comprehensive Income / (Loss)	4.10	(11.74)
Total Comprehensive Income / (Loss)	8,488.51	6,870.13
Earning Per Equity		
Basic (In INR)	2.68	2.40
Diluted (In INR)	2.68	2.40

During the year under review, your Company had achieved the threshold limit of total asset size of INR 183,205.51 Lakhs as on March 31, 2025 as compared to INR 153,046.45 Lakhs as on March 31, 2024

The net loan portfolio (after adjusting for write-offs) of the Company stood at INR 318.54 Lakhs as on March 31, 2025. This represents year on year (‘YoY’) growth of 0.1% as compared to March 31, 2024, on which date it stood at INR 349.34 Lakhs.

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’).



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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 Master Direction Ref. No. RBI/DoR/2023-24/106 [DoR.FIN.REC.No.45/03.10.119/2023-24](#) dated October 19, 2023 viz. Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 ('Directions'). These Directions issued in supersession of the Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

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 2024-25. The Company is in compliance with Directions. With an endeavor 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. STANDALONE FINANCIAL STATEMENTS

The Standalone Financials of the Company 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.

6. FUTURE OUTLOOK

The Company aims to achieve consistent growth in its business portfolio through increased engagement with the existing customer base while simultaneously expanding outreach by onboarding new customers.

7. CHANGE IN THE STATUS OF THE COMPANY

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

8. CHANGE IN FINANCIAL YEAR

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

9. DETAILS AND STATUS OF ACQUISITION, MERGER

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

10. 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, 2025.

11. RESERVE

During the year under review, your Company has transferred INR 1,707.54 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.

12. CAPITAL ADEQUACY

The Company's capital adequacy ratio was at 31.09% as of March 31, 2025, as against the statutory minimum capital adequacy ratio of 15% as prescribed by the Reserve Bank of India.

The Tier I Capital and Tier II Capital as on March 31, 2025 were 29.84% and 1.25% respectively.

13. SHARE CAPITAL**Authorised 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, 2025 stood at Rs. 3,15,99,39,980/- (Rupees Three Hundred Fifteen Crores Ninety-Nine Lakhs Three Ninety Thousand Nine Hundred and Eighty Only) divided into 31,59,93,998/- Equity Shares of INR 10/- each.

Sweat Equity shares:

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

Buy back of Shares:

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

Preference share capital:

Not applicable

14. PUBLIC DEPOSITS

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013. A resolution to this effect has been passed by the Board vide its meeting through circulation dated 03rd April, 2025.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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.

15. 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>.

16. 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.

17. CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

18. 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.

19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

20. 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.

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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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:

S. N.	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

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:

S. N.	DIN/PAN	Name	Designation	Date of Appointment
1	01587360	Mr. Tushar Aggarwal	Managing Director	11/02/2016
2	DCBPK9509Q	Mr. Pankaj Kumar	Chief Financial Officer	05/07/2023
3	BJGPS7698N	Mr. Ashish Kumar Singh *	Company Secretary and Compliance Officer	30/04/2024
4	FXNPS3126J	Mr. Simarjeet Singh**	Company Secretary and Compliance Officer	31/01/2025

*Mr. Ashish Kumar Singh, Company Secretary and Compliance Officer resigned from his designation w.e.f. 5/11/2024.

**Mr. Simarjeet Singh, was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 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.

21. 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.

22. MATERIAL CHANGES AND COMMITMENTS



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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, 2025 and up to the date of signing of this report, which might affect the financial position of the Company.

23. 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 and Mr. Vijay Ronjan as Non-Executive Independent Directors of the Company, have given the necessary declaration under Section 149, Section 164 and Section 184 of the Companies Act, 2013. 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.

24. FIT AND PROPER CRITERIA OF THE DIRECTORS

Your Company has received Undertaking and Declaration from all the Directors on Fit and Proper Criteria in terms of RBI Master Directions. The declarations were reviewed by the Nomination and Remuneration Committee on Fit and Proper Criteria, under RBI Master Directions, and informed that all Directors are compliant with the directions and fit to hold the position of Directors on the Board.

25. 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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

26. AUDIT TRIAL 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, 2024. Further, the company, in respect of the 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 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.

27. 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, 2025 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.

28. 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.

29. SECRETARIAL AUDITORS

Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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.

30. INTERNAL AUDIT

The Company has an Internal Audit System which is commensurate with the size and nature of business as required under Section 138 of the Companies Act, 2013. The Internal Audit Function of the Company functions independently and places the Internal Audit Report to the Audit Committee of the Board. Internal Audit Function provides independent assurance on the Company's system of internal controls, risk management and governance processes.

Internal Audit is carried out as per risk-based approach. Subject matter expertise of professional firms are utilized as per the requirement.

31. 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.

32. 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.

33. MEETINGS OF THE BOARD OF DIRECTORS

During the period under review, the Board of Directors of the Company met 19 times. The intervening gap between any two board meetings was within the period prescribed by the Companies Act, 2013 ('Act') and the Articles of Association ('AoA') of the Company. Proper quorum was present at all the Board meetings held. The composition and details of the meetings held during the year under review are mentioned below.

Sl. No.,	Name of Directors	Director Since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter/Independent/Nominee)	DIN	Number of Board Meetings		No. of other Directorship	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee (INR Lakhs) in	Commission	



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

1.	Mr. Tushar Aggarwal	11-02-2016	Managing Director	01587360	19	7	2	Nil	Nil	Nil	Nil
2.	Mrs. Shruti Aggarwal	11-02-2016	Director	06867269	19	19	2	51.56	Nil	Nil	100
3.	Mr. Radhakrishnan Ramachandra Iyer	03-02-2021	Independent	01309312	19	19	2	Nil	19.50	Nil	Nil
4.	Mr. Vijay Ronjan	24-02-2022	Independent	09345384	19	19	3	Nil	19.50	Nil	Nil
5.	Mr. Vijay Jasuja	17-08-2022	Independent	07924822	19	19	0	Nil	20.25	Nil	Nil

<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>
1.	30 th April 2024	5	4
2.	29 th May 2024	5	5
3.	15 th June 2024	5	5
4.	10 th July 2024	5	5
5.	2 nd August 2024	5	5
6.	13 th August 2024	5	4
7.	24 th September 2024	5	4
8.	27 th September 2024	5	5
9.	9 th October 2024	5	4
10.	18 th October 2024	5	4
11.	14 th November 2024	5	5
12.	22 nd November 2024	5	4
13.	31 st January 2025	5	5
14.	11 th February 2025	5	4
15.	14 th February 2025	5	4
16.	21 st February 2025	5	4
17.	13 th March 2025	5	4
18.	18 th March 2025	5	4
19.	25 th March 2025	5	4

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

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation / Appointment)	Effective Date
	NA	NA	NA	NA

There was no change in the composition of the Board during the current and previous financial year.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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

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

Sl. No.	Type of Meeting (AGM / EGM)	Date of AGM/ EGM and Place	Total Number of Members	Number of Members Present	Special Resolution passed
1.	AGM	26-09-2024, Delhi	2	2	0
2.	EGM	14-11-2024, Gurgaon	2	2	3

35. COMMITTEE OF THE BOARD:

The Board has constituted various Committees to support the Board in discharging its responsibilities. As on March 31, 2025 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.

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 6 (Six) times during the Financial Year 2024-25. 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	Promoter	6	4	0
2.	Mrs. Shruti Aggarwal	17-08-2022	Promoter	6	6	100
3.	Mr. Radhakrishnan Ramachandra Iyer	17-08-2022	Chairman (Independent)	6	6	0
4.	Mr. Vijay Ronjan	17-08-2022	Independent	6	6	0
5.	Mr. Vijay Jasuja	17-08-2022	Independent	6	6	0



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	30 th April, 2024	5	4
2.	29 th May, 2024	5	5
3.	13 th August, 2024	5	4
4.	14 th November, 2024	5	5
5.	31 st January, 2025	5	5
6.	14 th February, 2025	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 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 2024-2025 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	Promoter	4	2	0
2.	Mrs. Shruti Aggarwal	17-08-2022	Promoter	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

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	30 th April, 2024	5	4
2.	15 th June, 2024	5	5



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

3.	22 nd November, 2024	5	4
4.	31 st January, 2025	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.

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 36 (thirty-six) times during Financial Year 2024-25.

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	36	36	Nil
2.	Mrs. Shruti Aggarwal	17-08-2022	Director	36	36	100

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	22nd April, 2024	2	2
2.	24th April, 2024	2	2
3.	30th April, 2024	2	2
4.	10th May, 2024	2	2
5.	22nd May, 2024	2	2
6.	23rd May, 2024	2	2



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

7.	3rd June, 2024	2	2
8.	21st June, 2024	2	2
9.	24th June, 2024	2	2
10.	15th July, 2024	2	2
11.	29th July, 2024	2	2
12.	31st July, 2024	2	2
13.	19th August, 2024	2	2
14.	22nd August, 2024	2	2
15.	27th August, 2024	2	2
16.	30th August, 2024	2	2
17.	17th September, 2024	2	2
18.	25th September, 2024	2	2
19.	8th October, 2024	2	2
20.	17th October, 2024	2	2
21.	24th October, 2024	2	2
22.	28th November, 2024	2	2
23.	10th December, 2024	2	2
24.	30th December, 2024	2	2
25.	31st December, 2024	2	2
26.	9th January, 2025	2	2
27.	23rd January, 2025	2	2
28.	14th February, 2025	2	2
29.	27th February, 2025	2	2
30.	28th February, 2025	2	2
31.	12th March, 2025	2	2
32.	20th March, 2025	2	2
33.	21st March, 2025	2	2
34.	24th March, 2025	2	2
35.	25th March, 2025	2	2
36.	28th March, 2025	2	2

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

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

Composition and Meetings of ALCO during the Financial Year 2024-2025 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	2	1	0



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

2.	Mrs. Shruti Aggarwal	09-11-2023	Director	2	2	100
3.	Mr. Ashish Jha	24-09-2024	Member	2	2	0
4.	Mr. Pankaj Kumar	09-11-2023	Member	2	2	0
5.	Mr. Emany Srinivas Pramodh	31-01-2025	Member	1	1	0

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	10th December, 2024	4	3
2.	31st January, 2025	5	5

The Company has in place 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 Company's governance structure has well-defined roles and responsibilities, which enable and empower the Management to identify, assess and leverage business opportunities and manage risks effectively.

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

Composition and Meetings of RMC during the Financial Year 2024-2025 is as follows:

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	Chairman (Managing Director)	2	2	0
2.	Mrs. Shruti Aggarwal	17-08-2022	Director	2	2	100
3.	*Radhakrishnan Ramachandra Iyer	17-08-2022	Independent Director	2	2	0
4.	Mr. Varun Chhabra	17-08-2022	Member	2	2	0
5.	**Ms. Aparna Bihany	31-01-2025	Member	0	0	0
6.	***Mr. Amit Doger	31-01-2025	Member	0	0	0



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

*Mr. Radhakrishnan Ramachandra Iyer was a Member of the Committee till 31st January 2025.

Ms. Aparna Bihany and *Mr. Amit Doger was appointed as Member of the RMC Committee w.e.f. 31st January 2025.

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	9th September, 2024	4	4
2.	31st January, 2025	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.

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

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

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

Composition and Meetings of ITSC during the Financial Year 2024-2025 is as follows:

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. Vijay Jasuja	09-11-2023	Chairman and Independent Director	3	3	0
2.	Mr. Tushar Aggarwal	09-11-2023	Member and Managing Director	3	2	0
3.	Mrs. Shruti Aggarwal	09-11-2023	Member/Director	3	3	100
4.	Mr. Karan Talwar	15-06-2024	Member	3	3	0
5.	*Pankaj Badgotra	22-11-2024	Permanent Invitee	3	3	0



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	18th September, 2024	4	4
2.	18th December, 2024	5	5
3.	13th March, 2025	5	4

*On Board Meeting dated 15th June 2024, Mr. Sanjeev Walia was appointed as Permanent Invitee of the Committee; however, he was subsequently put to an end and Mr. Piyush Gupta was appointed as Permanent Invitee to the Committee at the Board Meeting dated 27th September 2024 replacing Mr. Sanjeev Walia. Later, on Board Meeting dated 22nd November 2024, Mr. Pankaj Badgotra was appointed as Permanent Invitee of the ITSC Committee.

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'):

The Committee is responsible to oversee the effectiveness of fraud risk management and review 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 etc. The Committee will also oversee the effectiveness of the framework for Early Warning Signals ('EWS').

Composition and Meetings of the Committee during the Financial Year 2024-2025 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	1	1	0
2.	Mr. Tushar Aggarwal	Member	13.08.2024	1	0	0
3.	Mrs. Shruti Aggarwal	Member	13.08.2024	1	1	100
4.	Mr. Vijay Ronjan	Member	13.08.2024	1	1	0
5.	Ms. Aparna Bihany	Member	31.01.2025	1	1	0



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	07th March, 2025	5	4

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 Committee:

The Committee will be responsible for looking into the practices set out in this policy meet the requirement of identified area as mentioned below:

- Establish and modify credit portfolio limitations, including the Company's lending rates basis on the nature of loan products;
- Review any changes in the methodology of for determining rate of interest, charges and fees for the loan products;
- Establish or modify the delegation of authority for waiver of charges and fees;
- Oversight of the credit and lending strategies and objectives of the Company;
- Oversight of the credit risk management of the Company, including reviewing the Loan/Credit Policies and establishing portfolio limits;
- Ensuring problem loans and bad debts are dealt with expeditiously to minimize credit loss and maximize recoveries;
- Reviewing the Company's portfolio trends - growth, target market composition, risk quality rating, and tenor etc.

Composition and Meetings of the Committee during the Financial Year 2024-2025 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.	Mrs. Shruti Aggarwal	Chairman	13.08.2024	2	2	0
2.	Mr. Tushar Aggarwal	Member	09.10.2024	2	2	0
3.	Mr. Vijay Ronjan	Member	09.10.2024	2	0	100
4.	Mr. Varun Chhabra	Member	13.08.2024	2	2	0
5.	Mr. Ashish Jha	Member	13.08.2024	2	2	0
6.	Mr. Pankaj Kumar	Member	13.08.2024	2	1	0
7.	Ms. Aparna Bihany	Member	13.08.2024			
8.	Mr. Amit Kumar	Member	13.08.2024	2	1	0



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	22nd October, 2024	8	3
2.	10th February, 2025	7	6

IX. Information Security Committee (ISC):

The Committee was formed under the oversight of IT Strategy and Steering Committee on 18th September, 2024 in pursuant to the Master direction Ref.No. RBI/2023-24/107 DoS.CO.CSITG/SEC.7/31.01.015/2023-24 dated November 7, 2023 viz Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices issued by the Reserve Bank of India ("RBI").

Information Security Committee will be responsible:

- Development of information/ cyber security policies, implementation of policies, standards and procedures to ensure that all identified risks are managed within the RE's risk appetite;
- Approving and monitoring information security projects and security awareness initiatives;
- Reviewing cyber incidents, information systems audit observations, monitoring and mitigation activities; and
- Updating ITSC and CEO periodically on the activities of ISC.

Composition and Meetings of the Committee during the Financial Year 2024-2025 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. Amit Doger	Chairman	18.09.2024	1	1	0
2.	Mr. Pankaj Badgotra	Member	13.03.2025	1	1	0
3.	Ms. Aparna Bihany	Member	18.09.2024	1	0	0
4.	Mr. Karan Talwar	Member	18.09.2024	1	1	0
5.	Mr. Pankaj Kumar	Member	18.09.2024	1	1	0
6.	Mr. Ram Basnet	Member	18.09.2024	1	1	0

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	28th March, 2025	6	5



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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.

The Internal Complaint Committee was constituted on 17th August, 2022 and further re-constituted on 31st January 2025.

The POSH Committee was re-constituted on 31st January, 2025. The Current Composition of the Committee is as follows:

Composition and Meetings of Committee during the Financial Year 2024-2025 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. Amrita Shetty	31-01-2025	Member	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

There was no POSH Committee Meeting held during the Financial Year 2024-25.

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, 2025.

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

XI. Corporate Social Responsibility Committee:

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. In pursuit of this, a Corporate Social Responsibility (CSR) Committee had been formed by the Company which oversees the activities relating to activities supporting the social and environmental causes.

Composition and Meetings of Committee during the Financial Year 2024-2025 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 and Managing Director	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

Sr. No	Date of Meeting	Total Number of Members	Number of Members present
1.	13 th March 2025	3	3

36. 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.

37. 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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

During the period under review, your Company has raised Rs. 33,632.85 Lakhs through issuance of Listed, Secured, Rated, Redeemable Non-Convertible Debentures ('NCDs') on private placement basis to eligible investors

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

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

A.Vardhman Trusteeship Private Limited

B.Catalyst Trusteeship Limited

C.Mitcon Credentia Trusteeship Services Ltd.

D.Axis Trustee Services Limited

E.Beacon Trusteeship Limited

38. CREDIT RATINGS

The Credit Ratings of the Company as on March 31, 2025, are summarized below:

Instrument	Rating Agency	Rated Amount (In Crores)	Rating
Non-Convertible Debenture	ICRA Limited	976.50	BBB Stable
Long Term Fund Based - Term Loan	ICRA Limited	15.00	BBB Stable
Commercial Paper	ICRA Limited	80.00	A3+

39. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions pertaining to the Corporate Social Responsibility ("CSR") in terms of the section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are applicable on the Company since the Company has crossed the limit of Net Profit of Rs. 5 crores for the financial year ended March 31, 2022.

In pursuit of this, a Corporate Social Responsibility (CSR) Committee had been formed by the Company which oversees the activities relating to activities supporting the social and environmental causes.

During the year under report, one CSR Meeting was held on 13/03/2025. CSR report is enclosed as Annexure III.

Composition and Meetings of CSR:

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

			Executive/ Chairman/ Promoter nominee/ Independent)	Held	Attended	the Compan y
1.	Mr. Tushar Aggarwal	17-08-2022	Chairman and Managing Director	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

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 2024-25 is INR 1,65,17,914/-. As on 31 March 2025, total amount spent on CSR activities by Company was INR 1,65,17,914/-.

40. DEPOSITORY SYSTEM

The Company's Equity Shares are not listed on Stock Exchange. As on 31st March 2025, Equity Shares of INR 3,15,99,39,980/- (Rupees Three Hundred Fifteen Crores Ninety-Nine Lakhs Three Ninety Thousand Nine Hundred and Eighty Only) divided into 31,59,93,998/- Equity Shares of INR 10/- each were held in dematerialized form with National Securities Depository Limited ('NSDL').

41. 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.

42. 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.

43. 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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

44. 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	2024-25 (in lakhs)	2023-24 (in lakhs)
Foreign Exchange Income	-	-
Foreign Exchange Expenditure	4,855.59	2,632.42

45. 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 2024-25, 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>

46. STATEMENT ON COMPLIANCES WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable of the Secretarial Standards



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

(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.

47. 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').

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 Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

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.

48. 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.

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

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

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Further, a separate meeting of the Independent Directors was held on 28th March 2025, wherein they reviewed the performance of the Independent Directors, Non-Independent Directors, the Board and Committees as a whole and the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors and considering various performance parameters.

In furtherance to the same, the Nomination and Remuneration Committee in its meeting held on 28th May 2025 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.

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.

50. 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.

51. 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

52. POLICIES AND PRACTICES

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

53. 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.

54. 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.

55. 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 your will join our directors in conveying our sincere appreciation to all the employees of the Company for their hard work and commitment.

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

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: 25th September, 2025
Place: Gurugram, Haryana



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

*Annexure I***Form No. AOC-2**

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

1. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Name(s) of the related party	nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts /arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value (in lakhs), if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Morus Technologies Ptv. Ltd	Holding Company	1. Foreign Loan "received from Holding" Company (ECB)	Continuous	15,392.34	-	-
		2. Interest Payment on Foreign Loan		4,478.94		



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

		3. Commission on Corporate Guarantee		376.65		
EQX Analytics Private Limited	Fellow subsidiary	1. Lead Generation Expenses	Continuous	1,727.32	-	-
	company	2. Reimbursement of expenses		1.94		
		3. Bad debt recovery on behalf of EQX Analytics Private Limited		596.77		
		4. Infra sharing expenses		83.85		
		5. Compensation for employee benefits of transferred employees		73.85		
		6. Commission on Corporate Guarantee		675.65		
		7. Rental Income		1.25		
		8. Customer collections received on behalf of EQX Analytics Private Limited		77.00		
Titanium Fortune Financial Services Private Limited	Fellow subsidiary	1. Loan Taken	Continuous	335.00	-	-
	company	2. Loan Repaid		335.00		
		3. Interest on Loan Taken		7.22		
Vishuv Invest Private Limited	Fellow subsidiary	1. Loan Taken		225.00		
	company	2. Loan Repaid		225.00		
		3. Interest on Loan Taken		1.17		
Shruti	Director	1. Managerial	Continuous	51.56	-	-



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Aggarwal		remuneration				
		2.Reimbursement Of Expenses		12.00		
		3.Loan Taken		45.00		
		4.Loan Repaid		45.00		
		5. Interest on Loan Taken		0.23		
Tushar Aggarwal	Managing Director	Managerial remuneration	Continuous	-	-	-
Radhakrishnan Ramachandra Iyer	Independent/ Non-executive director	1. Directors sitting fees	Continuous	19.50	-	-
Vijay Jasuja	Independent/ Non-Executive director	1. Directors sitting fees	Continuous	20.25	-	-
Vijay Ronjan	Independent/ Non-Executive director	Directors sitting fees	Continuous	19.50	-	-
Sonia Rakesh Thakur	Company Secretary	1. Managerial remuneration	Continuous	-	-	-
Ashish Singh	Company Secretary	1. Managerial remuneration	Continuous	9.29		
Simarjeet Singh	Company Secretary	1.Managerial remuneration	Continuous	3.20		
Pankaj Kumar	CFO	Managerial remuneration	Continuous	30.85	-	-



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

ANNEXURE – II
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. AN OVERVIEW

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

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

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

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

2. GLOBAL ECONOMIC OVERVIEW

The global economic landscape in 2026 is anticipated to exhibit moderate growth, underpinned by resilience in the face of several pressing economic headwinds, such as escalating trade tensions, persistent inflationary pressures, constrained monetary policy flexibility, and increasing public debt levels. The International Monetary Fund (IMF) projects a global growth rate of 3.0% for 2025 and a slight uptick to 3.1% in 2026, falling from 3.3% in 2024. Significant challenges projected for the global economy in 2025 include:

1. **Trade Tensions and Protectionism**: The introduction of U.S. tariffs, predominantly on Chinese imports, has triggered retaliatory measures and disrupted established global supply chains, leading to increased costs and inefficiencies in trade.
2. **Inflation and Monetary Policy Constraints**: While inflation rates are declining in several regions, certain service sectors are witnessing sustained inflation, contrasted by rising goods price inflation in others. This complex inflationary landscape poses substantial challenges for central banks, hampering their ability to implement accommodative monetary policies effectively.
3. **Fiscal Imbalances**: The persistently high levels of public debt and fiscal deficits, particularly within advanced economies, exhibit risks to economic stability and limit policy manoeuvrability. The IMF has specifically called on the United States to address its escalating fiscal deficit, which surged to 98% of GDP in 2024.
4. **Geopolitical Instability**: Ongoing geopolitical conflicts, notably in the Middle East and rising tensions in Eastern Europe, continue to threaten global energy stability and erode investor confidence, further complicating the economic outlook.
5. **Structural Weaknesses in Developing Economies**: Developing nations face substantial hurdles, including inadequate investment, tepid productivity growth, and elevated debt levels, which significantly hinder their capacity to converge with more advanced economies.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

These challenges underscore the complexity of the global economic environment and the need for strategic policy interventions to foster resilience and sustainable growth.

In 2025, policymakers worldwide are anticipated to face significant challenges that will test their economic management capabilities. Economic growth is projected to decelerate, with multiple downside risks emerging from escalating geopolitical tensions, ongoing trade disputes, and mounting domestic public debt.

To maintain and improve global economic stability, policymakers will need to effectively confront persistent inflationary pressures, uneven recovery trajectories across regions, and enduring structural economic issues. The implementation of robust monetary and fiscal policies, coupled with enhanced international coordination, will be imperative in addressing these complexities and cultivating a more resilient global economic landscape.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/07/29/world-economic-outlook-update-july-2025>)

3. INDIAN ECONOMY OVERVIEW

In India, the Gross Domestic Product ('GDP') growth for the fiscal year 2025 ('FY 2025') is projected to be around 6% year-on-year, with fiscal year 2026 ('FY 2026') expected to maintain this positive momentum. This growth is a strong reflection of good domestic demand and increased investment. The latest report from the International Monetary Fund ('IMF') supports this outlook, forecasting that India will continue its upward trajectory, with growth rates of 6% to 6.5% in both FY 2026 and FY 2027, which aligns well with projections from the Reserve Bank of India ('RBI') for FY 2026. Additionally, inflation in India has moderated within the RBI's tolerance band, although fluctuations in food prices remain an area to monitor. It is anticipated that inflation will approach 4% in FY 2026.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/07/29/world-economic-outlook-update-july-2025>)

The outlook for Non-Banking Financial Companies ('NBFCs') in India for FY 2026 appears promising, influenced by various macroeconomic factors and sector-specific trends including decrease in risk weightage. By FY 2026, credit demand growth is expected to stabilize at moderate levels following a period of rapid expansion driven by post-pandemic recovery and financial inclusion initiatives. There is likely to be continued demand for credit, especially from the Retail Consumer and Micro, Small, and Medium Enterprises ('MSMEs') sectors. While growth rates may decelerate as the market matures, projections suggest a sustainable growth range of 12% to 14% annually, contingent on the economic climate and regulatory developments.

Improvements in asset quality, particularly in unsecured lending and microfinance, are anticipated in FY 2026 as NBFCs enhance their underwriting standards and risk management strategies. The rise of digital lending and data-driven credit scoring will further enable NBFCs to manage risk effectively, facilitating more efficient credit disbursements with reduced defaults. However, it is essential to remain vigilant regarding potential challenges that may arise from global economic volatility or local disruptions.

Overall, India's NBFC sector is well-positioned to support credit growth in FY 2026, provided that deposit and lending rates are aligned with policy adjustments and that regulatory oversight evolves to keep pace with changing funding patterns. This could lead to a more resilient and dynamic financial ecosystem that benefits all stakeholders involved.

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Non-Banking Financial Companies (NBFCs) have emerged as powerful engines of credit, significantly expanding access to financial services, especially for historically underserved or excluded segments. By complementing the traditional banking system, NBFCs have utilized innovative credit delivery models that leverage technology and local insights to create customized financial products tailored to diverse borrower needs. Their agility and close customer connections have enabled them to play a role that is not only complementary to traditional banks but also catalytic in building a financial ecosystem characterized by deeper intermediation and wider opportunities.

India's financial services sector has adeptly navigated a fluctuating environment, influenced by evolving monetary policies and shifting global dynamics. The Reserve Bank of India (RBI) initiated a cycle of monetary easing, reducing key policy rates to stimulate economic growth. Despite this, banks struggled with higher borrowing costs, exacerbated by the rising demand for infrastructure bonds. As of February 2025, the liquidity shortfall had escalated to approximately Rs. 1.7 Trillion. To counterbalance this, the RBI intervened with a USD 10 Billion forex swap, designed to stabilize short term interest rates and ensure financial equilibrium.

The sector's transformation was further strengthened by rapid technological advancements. The advent of Artificial Intelligence (AI), Open Banking, and digital currencies has become pivotal in refining financial services. The introduction of the Digital Rupee marked a significant step towards a fully cashless economy. AI-driven innovations enhanced both customer experience and risk management, while Open Banking paved the way for broader financial inclusion. Simultaneously, the insurance industry adapted to emerging risks, with health insurers in Delhi considering premium adjustments due to the increasing prevalence of air pollution-related health issues.

However, the sector continues to face challenges, including rising levels of unsecured lending and an increase in credit card delinquencies, particularly among younger demographics. The recent interest rate cuts have also placed additional pressure on banks' net interest margins. Despite these obstacles, India's financial services sector remains well positioned for sustained growth and long-term resilience, supported by proactive regulatory measures, robust digital infrastructure, and a persistent commitment to financial inclusion.

(Source: [India's RBI announces mega \\$10 billion FX swap to infuse rupee liquidity | Reuters](#))

5. REGULATORY DEVELOPMENT AND SCHEME

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 government and the RBI announced the slew of regulatory forbearances and schemes during the year - some of the key being are:

In FY 2024-25 and FY 2025-26 (as on publishing this Report), the RBI has issued following important circulars:

- Key Fact Statement (KFS) for Loans & Advances: The notification issued by the RBI on April 15, 2024 provides for mandatorily providing Key Fact Statement to the customers. The purpose of KFS was to provide key facts of a loan agreement, in simple and easier to understand language, provided to the borrower in a standardized format.
- Fair Practice Code (FPC) for Lenders: Charging of Interest: This circular was issued by the RBI on April 29, 2024 providing the banks and NBFCs to desist from using certain unfair practices in charging of interest.
- Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies): These Master Directions were issued by the RBI on July 15, 2024. These



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Directions are issued with a view to providing a framework to Applicable NBFCs for prevention, early detection and timely reporting of incidents of fraud to Law Enforcement Agencies (LEAs), Reserve Bank of India (RBI) and National Housing Bank (NHB) and matters connected therewith or incidental thereto.

- Master Direction on Treatment of Wilful Defaulters and Large Defaulters: This Master Direction was issued by the RBI on July 30, 2024. This Master Direction on wilful defaulters serves as a comprehensive guideline delineating the regulatory framework and procedures for classification of borrowers as wilful defaulters.
- Master Direction – Reserve Bank of India (Credit Information Reporting) Directions, 2025: This master direction was issued by the RBI on January 06, 2025. These directions aim to establish a standardized framework for reporting and dissemination of credit information; safeguard the confidentiality and security of sensitive credit data; provide mechanisms for consumers to access their credit information and grievance redressal on matters related to credit information reporting.
- Prevention of financial frauds perpetrated using voice calls and SMS: Regulatory prescriptions and Institutional Safeguards: The RBI has issued certain instructions on January 17, 2025 providing instructions to the Regulated Entities to mitigate the potential misuse of mobile numbers.
- Master Direction - Reserve Bank of India (Digital Lending) Directions, 2025: Reserve Bank has issued these directions dated May 8, 2025, where Reserve Bank encourages 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. To address these concerns, pursuant to the recommendations made by the "Working Group on Digital Lending", the Reserve Bank has, from time to time, issued guidelines to its regulated entities on digital lending. These Directions consolidate the earlier instructions along with certain new measures for arrangements involving Lending Service Providers partnering with multiple regulated entities, and for creation of a directory of digital lending apps.
- Reserve Bank of India (Pre-payment Charges on Loans) Directions, 2025: Reserve Bank of India has issued directions on Pre-payment Charges on Loans dated July 02, 2025 to streamline the divergent practices amongst Regulated Entities (REs) with regard to levy of pre-payment charges in case of loans sanctioned to Individual and MSEs. An RE shall not levy of pre-payment charges on all floating rate loans and advance sanctioned to (i) Individual for other than business and (ii) Individuals and MSEs for Business limit up to INR 50 Lakhs. Pre-payment charges shall be disclosed in Sanction letter, Loan agreement & KFS. Undisclosed charges cannot be levied and cannot charged retrospectively.

6. 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:



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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.

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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

❖ 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.

7. 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.

8. 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.

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.

9. 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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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.
- **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	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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

component of the Company's lending operations.	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 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	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 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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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 growing visibility and disruption caused by climate related events, there is a heightened resolve to embed sustainability into the very fabric of business operations.	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. 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	Akara has made substantial investments in state-of-the-art technological infrastructure and advanced platforms to enhance its business



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

This risk arises from systemic failures in IT infrastructure or breaches in data security, which can trigger operational disruptions and incur severe financial repercussions.	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. 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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

	Company's commitment to comprehensive cybersecurity resilience.
--	---

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.

10. 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.

11. KEY INITIATIVES OF THE COMPANY

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

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.

12. 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 70,970.19 Lakhs. The Net Profit for the year under review has been INR 8,484.40 Lakhs as against Net Profit of INR 6,882.13 Lakhs during the previous year. The company has a target to moderately grow the business portfolio with key focus maintaining optimum credit portfolio.

The total assets size of the Company INR 1,83,205.51 Lakhs for the year ended on March 31, 2025 as compared to INR 1,53,046.45 Lakhs in the last financial year ended on March 31, 2024.

Financial and Operational Performance

1. Overall disbursement at INR 3307.58+ crores as on FY 2025.
2. AUM of the company increased by 12% at INR 1642.26+ crores as on FY 2025.
3. Registered users increase by 5.45% at 21.3 million as on FY 2025
4. Raised funds to the tune of On Balance sheet Debt of INR 960 crores from various Financial Institutions/Banks keeping liquidity and ALM in perspective.
5. PAT stood at INR 84.84 crore in FY 2025 increasing from INR 68.82 crore in FY 2024 on YOY basis.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

6. Capital Adequacy stood at 31.18% with Debt to Equity standing at 1.7x.
7. With regards to RBI circular dated Sept 02, 2022 on Digital Lending Guidelines, company is in full compliance with circular.
8. 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.
9. Company raised funds through listed and unlisted NCDs to tune of INR 311 crores and INR 2025 crores respectively

13. 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.

Further, the company strives to keep an appropriate balance between fixed rate and variable rate borrowings throughout the instruments to lower the weighted average cost of borrowing and preserve a reasonable spread on its loans and advances.

For the purpose of meeting its business requirements, the Company borrowed INR 852.02 Crores during the year. The total borrowing book increased by 23% to INR 1065.97 Crore as of March 31, 2025, from INR 866.73 Crores crore as of March 31, 2024.

A. Term Loan

During the FY 2024-25 the Company raised INR 260.54 Crores from banks/financial institutions in the form of term loan facilities.

The term loan book stood at INR 149.87 Crores as on March 31, 2025, against INR 283.54 Crores as on March 31, 2024. The banks lines are rated "BBB with stable outlook" by ICRA. This indicates high degree of safety with regard to timely servicing of financial obligations.

B. External Commercial Borrowings



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

During the FY 2024-25, the Company raised ~USD 18 Mn (i.e. ~INR 154.14 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 528.93 Crores as on March 31, 2025 against INR 375.01 Crores as on March 31, 2024.

C. Non-Convertible Debentures

During the FY 2024-25, the Company raised INR 336 Crores from the Non-convertible debentures. The Non-convertible debenture book (Secured NCDs). The book stood at INR 332.58 Crores as on March 31, 2025 against INR 174.70 Crores as on March 31, 2024. Non-Convertible Debentures are rated 'BBB with Stable outlook' from ICRA.

D. Commercial Paper

During the FY 2024-25 the Company raised INR 30.06 Crores from Commercial Papers. The Commercial Paper book stood at INR 5.25 Crores as on March 31, 2025 against INR 20 Crores as on March 31, 2024. The Commercial Papers are rated as "A3+" by ICRA, indicating very strong degree of safety regarding timely payment of financial obligations.

14. CAPITAL ADEQUACY

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 30.39% as on March 31, 2025, which is well above the RBI mandated norm of 15%.

15. ASSET LIABILITY MANAGEMENT

The Asset Liability Management Committee oversees the ALM on a regular basis, and the Company follows a conservative Liquidity Risk Management ('LRM') Policy. The Company throughout the year has maintained positive mismatches across buckets up to 5 years i.e. the cumulative inflows of assets are higher than the cumulative outflows.

16. 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.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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.

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

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

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

The 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.

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 such as Townhalls and Leadership sessions:** These initiatives ensured that all employees, across all functions, were informed about key developments within the firm. Efforts were made



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

to communicate the organization's vision, mission, and values without any hierarchical or positional barriers. Every employee shared a unified goal and was encouraged to contribute meaningfully towards achieving it.

- III. Strengthening the leadership team and talent pool:** Throughout the year, the organization underwent structural changes, resulting in the creation of several new leadership positions. To fill these roles, top talent was recruited from leading companies across the industry, significantly enriching the firm's knowledge base. These leaders were then empowered to build their own teams, ensuring full alignment within their functions, fostering trust, and establishing mutual consensus from day one.
- IV. Workplace wellness initiatives:** Regular health check-up camps, counselling programs, and annual health assessments were organized to address well-being concerns and promote an inclusive work culture.

18. CAUTIONARY STATEMENT

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

For and on behalf of the Board of Directors

Akara Capital Advisors Private Limited

Sd/-

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

Date: 25th September, 2025

Place: Gurugram, Haryana



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

Annexure III
ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S
REPORT FOR FINANCIAL YEAR 2024-25

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

2. Composition of CSR Committee:

S.no	Name of Director	Designation	No. of meeting held during the year	No. of CSR Committee attended during the year
1.	Mr. Tushar Aggarwal	Chairman and Managing Director	1	0
2.	Ms. Shruti Aggarwal	Member	1	1
3.	Mr. Radhakrishna 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. www.akaracap.com

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

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

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

6. Average net profit of the company as per section 135(5): Average Net Profit of Rs. 82,58,95,675.61/-



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
 Arjun Nagar Kotla Mubarakpur
 New Delhi 110003

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

7.	(a) Two percent of average net profit of the company as per section 135(5):	Rs. 1,65,17,914/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
	© Amount required to be set off for the financial year, if any.	NIL
	(d) Total CSR obligation for the financial year (7a + 7b + 7c)	Rs. 1,65,17,914/-

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in Rs. Lakhs)	Date of transfer	Name of Fund	Amount (in Rs. Lakhs)	Date of transfer
Rs. 1,65,17,914/-	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 Sche dule Vii of the Act	Loc al Are a (yes/ no)	Location of the Projects		Proj ect Dura tion	Amo unt Alloc ated for the Proje cts (in Lakhs)	Amo unt spen t i n curr ent FY (in Lak h s)	Total Amou nt transfe rred to Unspe nt CSR 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	
				St ate	Dist rict						Na me	CSR Reg .No.



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. no.	Name of the Projects	Item from the list of activities in Schedule Vii of the Act	Local Area (yes/no)	Location of the Projects		Amount spent for the project (in Lakhs)	Mode of Implementation Direct (yes/no)	Mode of Implementation Through Implementation Agency	
				State	District			State	District
1	Sansthanam Abhay Daanam	Education for underprivileged students, women empowerment, promotion of Ayurveda and Naturopathy, and welfare of animals and birds.	Yes	Delhi	NCR	95,17,914/-	No	Sansthanam Abhay Daanam,	Delhi NCR.
2	Badlo Re	Welfare of senior citizens, children, and women empowerment	Yes	Delhi		40,00,000/-	No	Badlo Re,	Delhi



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

3.	Gyan Daanam Gurukul	Free education for underprivileged children	Yes	Delhi NCR	30,00,000/-	No	Gyan Daanam Gurukul, Delhi
----	---------------------	---	-----	-----------	-------------	----	----------------------------

- (d) Amount spent in Administrative Overheads Nil
- (e) Amount spent on Impact Assessment, if applicable Nil
- (f) Total amount
(8b+8c+8d+8e) spent for Financial Year Rs. 1,65,17,914/-
- (g) Excess amount for set off, if any.

S. no	Particular	Amount (in Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	Rs. 1,65,17,914/-
ii	Total amount spent for the Financial Year	Rs. 1,65,17,914 /- (In lakhs)
iii	Excess amount spent for the financial year ((ii)-(i))	NIL
iv	Surplus arising out of the CSR projects or programmes or activities of the previous Nil financial years, if any	NIL
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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

(a) Details of Unspent CSR amount for the preceding three financial years:							
S.no.	Precedin g Financial Year	Total Amount transferred to Unspent CSR Account for the projects as per section 135(6) (in Rs.)	Amount spent in reporting FY (in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial
				Name of the Fund	Amount (in Rs Lakhs)	Date of transfer	
NA							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. no.	Projec t Id	Name of the Project s	FY in which the project was commence d	Project Duratio n	Total amount allocate d for the project (in Rs Lakhs).	Amount spent on the project in reportin g FY (in Lakhs)	Cumulativ e amount spent at the end of reporting Financial Year (in Rs. Lakhs)	Status of the project (completed / Undergoing)

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

(a) Date of creation or acquisition of the capital asset(s).	NA
(b) Amount of CSR spent for creation or acquisition of capital asset.	NA
(c) Details of the ent ity 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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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

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

Sd/-

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

**Date: 25th September 2025
Place: Gurgaon**

Sd/-

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



Email: Accounts@stashfin.com
CIN : U67190DL2016PTC290928
Mob : 9643309883



Registered address: 60, Second Floor,
Arjun Nagar Kotla Mubarakpur
New Delhi 110003

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

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, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and Changes in Equity for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, 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 of this matter. Accordingly, our audit included the performance of procedures, design to respond to our assessment of the risk of material misstatement of the Financial Statements. The result of our audit procedure including the procedures performed the matter to addressed below, provide the bases of our audit opinion on the accompanying financial statement.



Key Audit Matter	How the matter was addressed in our audit
1. Impairment of financial assets (Expected Credit Losses) (Refer Note no. 55.1 (A) to the Financial Statements read with accounting policy No.4(xii) – 'Financial Instruments' and 4 (xiii)– 'Impairment of Financial Assets') Financing is principal business of the Company and disclosure of Loan assets at fair value considering the provision for loss due to impairment is most significant. The Company has recorded an impairment loss allowance of Rs. 805.30 Lakhs as at 31 March 2025 in its statement of profit and loss. Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) model. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: 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 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 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 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. The company avails services of third party for evaluation of ECL Components. The calculations in the study for impairment allowance carried out by third party are relied upon by us and test checks are carried out for the same. The data shared with the third party is verified by us for correctness of material components being submitted. Our audit procedure in the same are limited in view of not sharing certain parameters and software used for study of such data being considered confidential by such third party.

Key Audit Matter	How the matter was addressed in our audit
2. Fair valuation of Derivative Financial Instruments (Refer Note No. 40 to the Financial Statement read with accounting policy No. 4(xii)- '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.	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. 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 as outstanding/pending for settlement as on 31 March, 2025. 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.

Information other than the financial statements and auditors' report thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess and comment on company's compliance with implementation 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 create backup of accounts on servers physically located in India on a daily basis. This is as per the amended Rule 3 of the Companies (Accounts) Rules, 2014.

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

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, 2025 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 not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.



2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraphs 3 and 4 of the Order.
3. As required by section 143(3) of the Act, we report that:-
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying Financial Statements;
 - b. In our opinion the books of accounts as required by law have been kept by the company so far it appears from our examination of those books. Further, the back-up of the 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;
 - 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, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
 - g. With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:-
 - (i) The Company as detailed in Note No 51 to the Standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2025.
 - (ii) The company had not entered into any long-term contracts except derivative contracts for the purpose of hedging its foreign exchange fluctuation as on 31st March 2025 as disclosed under Note 50D 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 2025.



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 2025.
- (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.

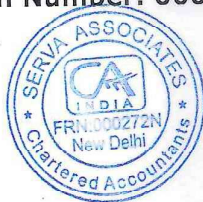
With regard to the requirements under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as applicable for reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the Company is in possession of an Alteration History Report. It is also understood that certain other 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: 28th May 2025

UDIN: 25506898BMF7CD1148

Place: New Delhi

Annexure A to the Independent Auditor's Report of even date to the members of Akara Capital Advisors Private Limited on the standalone financial statements for the year ended 31 March 2025.

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 during the year and no material discrepancies were noticed on such verification.

(c) Since the company is not in the possession of any immovable property, hence reporting under clause (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, 2025 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 (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 (ii)(b) of the order is not applicable.



(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

The Company has not made investments or provided guarantees / security or granted advances in the nature of loans.

- (c) In respect of the loans/advances in nature of loan (together referred as "loan assets") the schedule of repayment of principal and payment of interest has been stipulated by the Company. Note no 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, 2025 aggregating Rs 7,477.81 lakhs were categorized as credit impaired ("Stage 3") and Rs 28,946.75 Lakhs were categorized as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Out of loans and advances in the nature of loans with balances as at March 31, 2025, aggregating Rs.1,27,802.43 Lakhs where credit risk has not significantly increased since initial recognition ("Stage 1"), delinquencies between 1 to 30 days in the repayment of principal and payment of interest were also identified. In all other cases, the repayment of principal and interest is regular as at March 31, 2025. Having regard to the nature of company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.
- (d) In respect of the loans/advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2025, is Rs.4,851.00 Lakhs. 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.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Act in respect of loans, investments made and guarantee provided as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of security provided by it.
- (v) In our Opinion, the Company had complied with the directive issued by the Reserve Bank of India (the "RBI") with regards to the deposits accepted and amounts deemed to be deposits during the year. According to the information and explanation given to us, the provisions of sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company registered with the RBI.
- (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 (vi) of the Order is not applicable to the Company.

(vii)



- (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute except for the following:-
- (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 except for the those disclosed under Note 14.2 to the Financial Statements.
- (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
- (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 invested in readily realisable liquid investments.
- (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) The company has not made any preferential allotment or private placement of shares/Fully or partially or optionally convertible Debentures during the year under audit and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)
- (a) Based upon the 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, we report that no fraud by the Company and no material fraud on the Company has been identified by the management during the year.
- (b) According to the information and explanations given to us including the representation, made to us by the management of the Company no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us including the representation made to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Hence reporting under clause (xii) of the Order is not applicable to the Company.
- (xiii) Based on audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to financial statements, as required by the applicable Indian accounting standards.(Ind As 24), Related party disclosures specified in companies (Indian accounting standards) Rules 2015 as prescribed in section 133 of the act. Further, according to the information and explanations given to us, the company has constituted an audit committee under section 177 of the Act.
- (xiv)
- (a) In our opinion and based on our examination, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company during the year and till the date of our audit report.



Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into non-cash transactions with directors or persons connected with them and accordingly reporting under clause (xv) of the Order with

respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi)

- (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non Deposit Taking Systemically Important Investment and Credit Company 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 (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 (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, reporting under clause 3(xx)(a) of the Order is not applicable 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 audit of 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: 28th May 2025

UDIN: 25506898BBIJCD1148

Place: New Delhi

Annexure B to the Independent Auditor's Report of even date to the members of Akara Capital Advisors Private Limited on the standalone financial statements for the year ended 31 March 2025.

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Akara Capital Advisors Private Limited** (the "Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Serva Associates
Chartered Accountants
Firm Registration Number: 000272N



Nitin Jain
(Partner)



Membership Number: 506898

Date: 28th May 2025

UDIN: 25506898BBIJCD1148

Place: New Delhi

Akara Capital Advisors Private Limited
Balance Sheet as at March 31, 2025
(All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial Assets			
Cash and cash equivalents	2	2,922.43	2,116.15
Bank balances other than cash and cash equivalents	3	8,315.35	1,670.11
Derivative Financial Instruments	4	397.12	-
Receivable:	5	-	-
-Trade Receivable		-	-
-Other Receivables		2,307.92	664.09
Loans	6	163,645.30	142,052.21
Investments	7	-	-
Other financial assets	8	2,112.05	2,957.89
Total Financial Assets		179,700.16	149,460.45
Non-financial assets			
Deferred tax assets (net)	9	2,384.97	2,609.29
Property, Plant and Equipments	10(a)	21.19	12.86
Intangible assets under development	10(b)	19.39	12.50
Intangible assets	10(c)	590.66	872.15
Other non-financial assets	11	489.15	79.20
Total Non-Financials Assets		3,505.35	3,586.00
TOTAL ASSETS		183,205.51	153,046.45
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	4	-	86.11
Trade Payables	12	-	-
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		393.62	70.51
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,151.53	1,057.77
(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	31,386.95	17,390.17
Borrowings (other than Debt Securities)	14	75,623.99	70,132.31
Other financial liabilities	15	1,192.97	1,453.05
		110,748.96	90,189.93
Non financial liabilities			
Current tax liabilities (net)	16	2,381.91	3,033.32
Provisions	17	815.97	546.35
Deferred tax liabilities (net)	9	-	-
Other Non-financial liabilities		-	-
		3,197.88	3,579.67
Equity			
Equity share capital	18	31,599.40	31,599.40
Other equity	19	37,659.27	27,677.45
TOTAL EQUITY		69,258.67	59,276.85
TOTAL LIABILITIES & EQUITY		183,205.51	153,046.45
Summary of significant accounting policies	1		

As per our report of even date

For Serva Associates

Chartered Accountants

ICAI Firm Registration No: 000772N

Nitin Jain

Partner

Membership No. 505898

Place: New Delhi

Date: 28-05-2025



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: 28-05-2025

Shruti Aggarwal

(Director)

DIN: 06867269

Place: New Delhi

Date: 28-05-2025

Samarjeet Singh

(Company Secretary)

Membership No: F11779

Place: New Delhi

Date: 28-05-2025

Pankaj Kumar

(Chief Financial Officer)

Place: New Delhi

Date: 28-05-2025



Akara Capital Advisors Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	Notes	For the year March 31, 2025	For the year March 31, 2024
Revenue from operations			
Interest Income	20	47,518.34	44,122.07
Fees and commission Income	21	23,429.56	34,340.96
Net Gain on fair value changes	22	16.43	-
Total revenue from operations		70,964.32	78,463.04
Other Income	23	5.86	41.97
Total Income		70,970.19	78,505.00
Expenses			
Finance Costs	24	14,798.74	14,985.09
Net loss on fair value changes	22	-	86.11
Impairment on financial instruments	25	32,657.68	40,380.71
Employee Benefits Expense	26	4,146.20	3,529.98
Depreciation, amortization and impairment	27	338.21	1,047.07
Other expenses	28	7,295.75	11,264.10
Total Expenses		59,236.58	71,293.06
Profit before tax		11,733.61	7,211.95
Tax Expense:			
(1) Current Tax	29		
a) Pertaining to profit for the current period		3,024.89	3,218.31
b) Adjustment of tax relating to earlier periods		-	11.17
(2) Deferred Tax		224.31	(2,899.66)
Total of Tax Expense		3,249.20	329.82
Profit for the year		8,484.40	6,882.13
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit obligation		5.48	(15.68)
Income Tax Effect		(1.38)	3.95
Other Comprehensive Income, net of income tax		4.10	(11.74)
Total Comprehensive Income for the year		8,488.51	6,870.39
Earnings per equity share	30		
Basic (Rs.)		2.68	2.40
Diluted (Rs.)		2.68	2.40
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

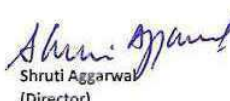
As per our report of even date

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

Nisha Jain
Partner
Membership No. 506898
Place: New Delhi
Date: 28-05-2025


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: 28-05-2025


Shruti Aggarwal
(Director)
DIN: 06867269
Place: New Delhi
Date: 28-05-2025


Simarjeet Singh
(Company Secretary)
Membership No: F11779
Place: New Delhi
Date: 28-05-2025


Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 28-05-2025



Akara Capital Advisors Private Limited
Statement of Cash flow for the year ended March 31, 2025
(All amount in Rs. in Lakhs, unless stated otherwise)

Particulars	As at	
	March 31, 2025	March 31, 2024
A Cash flow from operating activities		
Profit before Income Tax	11,733.61	7,211.95
Profit before Income Tax	11,733.61	7,211.95
Adjustment for:		
Non-Cash Items		
Depreciation and amortization expense	338.21	1,047.07
Liabilities written Off	(3.39)	-
Fair value (Gain)/ Loss on financial instruments	(16.43)	86.11
Impairment Allowance on Loans	805.30	5,435.54
Share Based Payments/Employee Stock Option	1,440.02	2,179.69
Non Operating Items		
Finance Cost	14,798.74	14,985.09
Interest Received on FDR's	(433.63)	(221.78)
(Profit)/Loss on sale of investments	-	(1.89)
Operating (Loss)/Profit before working capital changes	28,662.42	30,721.77
Working capital adjustments:		
(Increase) / Decrease in Trade Receivables	-	3,294.07
(Increase) / Decrease in loans	(21,593.09)	(35,109.65)
(Increase) / Decrease in Other financial Assets	(1,195.12)	(986.63)
(Increase) / Decrease in Other Non Financial Assets	(397.45)	52.97
Increase / (decrease) in Trade Payables	1,416.87	614.63
Increase / (decrease) in Other Financial liabilities	(346.20)	266.94
Increase / (decrease) in Other Non Financial liabilities	(651.42)	1,970.93
Increase / (decrease) in Provisions (Net Of OCI Impact)	264.14	192.18
Cash (used in)/generated from Operations	6,160.17	1,017.10
Direct taxes paid (net of refund)	(624.75)	(3,229.48)
Net cash flows (used in)/generated from Operating activities (A)	5,535.43	(2,212.38)
B Cash flow from Investing activities:		
(Purchase) / sale of Property, plant and equipment and Intangible assets	(15.21)	655.85
Proceeds / (investment) in Investment	-	83.93
Net cash flows used in Investing activities (B)	(15.21)	739.78
C Cash flow from Financing activities:		
Increase / (Decrease) of Borrowings	16,738.74	(50,534.96)
Finance costs paid	(14,798.74)	(14,580.40)
Interest and principal payment of lease liabilities	(8.69)	(13.73)
Proceeds from Issue of Share Capital	-	4,543.47
Net cash flow from/(used in) Financing activities (C)	1,931.31	(60,585.63)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	7,451.52	(62,058.23)
E Cash & cash equivalents as at the beginning of the period	3,786.25	28,711.84
Cash & cash equivalents as at the end of the period (D+E)	11,237.78	(33,346.40)
Cash and cash equivalents comprises:		
Cash & cash equivalents as at the ending of the period	11,237.78	3,786.25
Total cash and cash equivalents	11,237.78	3,786.25

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 Jain
Partner
Membership No. 506898
Place: New Delhi
Date: 28-05-2025



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

Tushar Aggarwal
(Managing Director)
DIN: 01587360
Place: New Delhi
Date: 28-05-2025

Shruti Aggarwal
(Director)
DIN: 06867269
Place: New Delhi
Date: 28-05-2025

Simarjeet Singh
(Company Secretary)
Membership No: F11779
Place: New Delhi
Date: 28-05-2025

Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 28-05-2025



Akara Capital Advisors Private Limited
Statement of Changes In Equity for the year ended March 31, 2025
(All amount in Rs. in Lakhs, unless stated otherwise)

A. Equity share capital		Number	Amount
Particulars			
Balance as at 1 April 2024		315,993,998	31,599.40
Changes in equity share capital during the year		-	-
Balance as at March 31, 2025		315,993,998	31,599.40

B. Other equity		Reserve and Surplus		Other Comprehensive Income	Remeasurement of Post Employment Obligation	Total
Particulars		Securities premium	Statutory Reserve	Share based payment reserve	Retained earnings	
Balance as at 1 April 2023		10,551.80	855.34	3,856.32	(1,189.79)	14,083.89
Profit for the year		-	-	-	6,882.13	6,882.13
Other comprehensive income for the year		-	-	-	-	-
Premium on issue of preference shares (CCPS)		-	-	-	(11.74)	(11.74)
Additions to securities Premium Account		4,543.47	-	-	-	4,543.47
Share based payments		-	-	2,179.69	-	2,179.69
Transfer to statutory reserve		-	1,376.43	-	-	-
Balance as at March 31, 2024		15,095.27	2,231.77	6,036.00	4,315.92	27,677.45
Balance as at 1 April 2024		15,095.27	2,231.77	6,036.00	4,315.92	27,677.45
Profit for the year		-	-	-	8,484.40	8,484.40
Other comprehensive income for the year		-	-	-	-	-
Additions to securities Premium Account		-	-	-	4.10	4.10
Share based payments		-	-	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	37,659.27

As per our report of even date

For Serva Associates

Chartered Accountants

CAI Firm Registration No. 000772

FRN/000272N

New Delhi

Chartered Accountants

Membership No. 5068388

Place: New Delhi

Date: 28-05-2025

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: 28-05-2025

Shruti Aggarwal

(Director)

DIN: 06867269

Place: New Delhi

Date: 28-05-2025

Simarjeet Singh

(Company Secretary)

Membership No: F11779

Place: New Delhi

Date: 28-05-2025

Pankaj Kumar

(Chief Financial Officer)

Place: New Delhi

Date: 28-05-2025

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
FIU REID	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. 31,599.40 Lakhs divided into 31,59,93,998 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 31,59,93,898 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, 2025 were approved for issue in accordance with the resolution of the Board of Directors on May 28, 2025.

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



JA

Am



4

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

The regulatory disclosures as required by Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023, as amended, issued by RBI 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 50(E)-Maturity Analysis of assets and liabilities"**.

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

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

iv. Functional and presentation currency

These standalone financial statements are prepared in **INR**, 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

i. Significant management judgements

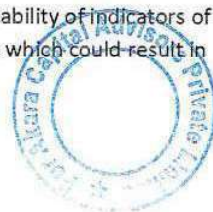
a) **Recognition of deferred tax assets/ liability** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. A deferred tax asset is only recognised for unused tax losses 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.

b) **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



MA

han



8

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

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.

c) **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.

d) **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.

ii. **Significant estimates**

a) **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.

b) **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.

c) **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:



JA

h



A

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

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.

d) 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.

e) 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) .

f) 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.



SA

h



f

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

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).

The company's Property, Plant and Equipment includes Office Equipments and Furniture as well as ROU Assets as at 31st March 2025 and only ROU Assets as at 31st March 2024

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.'



AA

h



P

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

The company do no possess any CWIP as on 31st March 2025 and 31st March 2024.

II. Intangible Assets

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

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

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

Estimated Useful Life- 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

The intangible assets which are in the process of development are recognised as intangibles assets under development. Once developed they are recognised as intangible assets.

IV. Leases

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

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

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

Right-of-use assets- The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives



JA

hm



4

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

received. Right-of-use assets are depreciated on a straight-line basis over the estimated useful life of the assets

Lease liabilities- At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate for lease liabilities is considered as average borrowing rate of debt facilities availed by the company. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

V. Cash and Cash Equivalents

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

VI. Foreign Currency Transactions

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

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

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

VII. Earnings Per Share

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

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



JA

[Signature]



4

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

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 assets-Contingent Assets are not recognized but disclosed in Notes which usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits.

IX. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the accounting policy prospectively from the earliest date practicable.

X. Taxation

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

Current Tax- Current tax comprises the expected tax payable or 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.



SA

h



A

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

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

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

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

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

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

XI. Employee Benefits

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

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

Long term employee benefits-

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

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

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



SA

[Signature]



[Signature]

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

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.

Remeasurement are not reclassified to profit or loss in subsequent periods.

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.

Share-Based Payments: Equity-settled share-based payments to employees are granted by the ultimate parent Company. These are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the '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 plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

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

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)



SA

[Handwritten signature]



[Handwritten signature]

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

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

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



JA

h



h

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

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 Company-Scale based regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 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.

XV. Fair Value Measurement and Disclosure



JA

h



f

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

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.



SA

h



h

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

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:

- 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.
- Fees and Other revenue collected from customers is recognised on receipt basis.



JA

[Signature]



[Signature]

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

- Interest income on deposits with banks is recognized on an accrual basis taking into account the amount outstanding and rate applicable.
- Interest on term deposits has been accrued on the time proportion basis, using the underlying interest rates.
- Dividend income is accounted when the right to receive dividend is established
- 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.
- 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
- The Company recognises income on recoveries of financial assets written off on realisation basis.
- All other income is recognized on an accrual basis.

-Space intentionally left blank-



SA

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)

2	Cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
	Particulars		
	Cash and cash equivalents		
	Cash-in-hand	0.30	0.30
	Balance with banks		
	In Current accounts	2,920.74	1,774.74
	Bank Accounts	1.38	341.11
	Deposits with original maturity of 3 months or less*		
	Total	2,922.43	2,116.15

*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, 2025	As at March 31, 2024
	Particulars		
	Deposit with original maturity of more than 3 months less than 12 months**	8,315.35	1,670.11
	Total	8,315.35	1,670.11

**This includes deposit of INR 2,821.91 Lakhs (31 March 2024 INR 1,652.18 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, 2025		As at March 31, 2024	
	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	8,319.50	(86.11)
Option Contracts (US Dollar Call / INR Put)	40,083.15	190.86	-	-
Total Derivative Financial Instruments	48,402.65	397.12	8,319.50	(86.11)

	As at March 31, 2025		As at March 31, 2024	
	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	8,319.50	(86.11)
Option Contracts (US Dollar Call / INR Put)	40,083.15	190.86	-	-
Total Derivative Financial Instruments	48,402.65	397.12	8,319.50	(86.11)

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.



[Signature]

[Signature]

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)

5 Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivable	-	-
Other Receivables	2,307.92	664.09
Total	2,307.92	664.09

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, 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	-	-	-	-	-
(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	-	-	-	-	-

Trade receivable ageing schedule for the year ending March 31, 2024 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	-	-	-	-	-
(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	-	-	-	-	-



MA

Signature

Signature

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)

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

Other receivables ageing schedule for the year ending March 31, 2024 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	486.99	135.90	37.96	3.23	-
(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	-	-	-	-	-
					664.09

-Space intentionally left blank-



SA

[Signature]

[Signature]

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)

6 Loans

At amortised cost	As at March 31, 2025	As at March 31, 2024
A. Product-wise		
Term Loan	164,226.99	147,128.75
Total (A) Gross	164,226.99	147,128.75
Add: Interest Accrued on Loans	9,998.26	5,104.43
Less: Impairment loss allowance on Loans	9,925.69	9,749.78
Less: Impairment loss allowance on Accrued Interest	654.26	431.19
Total (A) Net	163,645.30	142,052.21
B. Security-wise		
Secured by tangible assets*	10.00	-
Secured by intangible assets**	43.81	-
Unsecured	164,173.18	147,128.75
Total (B) Gross	164,226.99	147,128.75
Add: Interest Accrued on Loans	9,998.26	5,104.43
Less: Impairment loss allowance on Loans	9,925.69	9,749.78
Less: Impairment loss allowance on Accrued Interest	654.26	431.19
Total (B) Net	163,645.30	142,052.21
C. Location-wise		
C-I. Loans in India		
Public Sector	-	-
Others	164,226.99	147,128.75
Total (C-I) Gross	164,226.99	147,128.75
Add: Interest Accrued on Loans	9,998.26	5,104.43
Less: Impairment loss allowance on Loans	9,925.69	9,749.78
Less: Impairment loss allowance on Accrued Interest	654.26	431.19
Total (C-I) Net	163,645.30	142,052.21
C-II. Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C-II) Net	-	-
Total Net (C-I) and Net (C-II)	163,645.30	142,052.21

*Secured by tangible assets represents loan which are secured by hypothecation of equitable 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.



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)

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 presented are gross of impairment allowances. Details of the Company's internal grading for stage classification are explained in Note 54 (A) and policies on ECL allowances are set out in Note 4 (xii).

Particulars	As at March 31, 2025			Total	As at March 31, 2024			Total
	Stage-1	Stage-2	Stage-3		Stage-1	Stage-2	Stage-3	
Performing								
High Grade	127,802.43	-	-	127,802.43	122,947.61	-	-	122,947.61
Standard Grade	-	28,946.75	-	28,946.75	-	16,858.28	-	16,858.28
Non Performing								
	-	-	7,477.81	7,477.81	-	-	7,322.87	7,322.87
Total	127,802.43	28,946.75	7,477.81	164,226.99	122,947.61	16,858.28	7,322.87	147,128.75

- 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
- ii) Loans sanctioned but un-disbursed amount is Rs. 2,61,285.33 lakhs as on March 31, 2025 (March 31, 2024- Rs. 91,562.73 Lakhs)
- 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, 2025 and March

-Space intentionally left blank-



SA

h

h



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)

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 from 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.

-Space intentionally left blank-



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

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)

7 Investments

Particulars	At Fair Value				
	Amortised Cost	Through other comprehensive income	Through profit or loss	Others	Total
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 outside India	-	-	-	-	-
Investments in India	-	-	-	-	-
Gross Investment	249.11	-	-	-	249.11
(Less): netted off against 'Securitisation – Rupee Loans'	(249.11)	-	-	-	(249.11)
Total (B)	-	-	-	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total Net (D) = (A) - (C)	-	-	-	-	-
As at March 31, 2024					
Investment in Pass through Certificate (PTC)	-	-	-	-	-
Total (A)	-	-	-	-	-
Investments outside India	-	-	-	-	-
Investments in India	-	-	-	-	-
Total (B)	-	-	-	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-	-
Total Net (D) = (A) - (C)	-	-	-	-	-

Note: Investment in Pass Through Certificates (PTCs) pertaining to loan assets transferred by the Company during the year ended 31st March, 2025, amounting to ₹249.11 lakhs, has been netted off against 'Securitisation – Rupee Loans from Financial Institutions', which represents secured securitisation loans and is presented under Note 14 – 'Borrowings Other than Debt Securities'.

8 Other financial assets (at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Security Deposit	25.59	45.34
FLDG Recoverable	2,072.09	2,884.18
Amount Recoverable from Lender	10.12	23.48
Advance to supplier	4.24	4.89
Total	2,112.05	2,957.89

9 Deferred Tax liabilities / (assets)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liability		
Unamortised Borrowing Cost	528.56	100.21
Fixed Assets	5.33	-
Gross deferred tax liability (A)	533.89	100.21
Deferred tax asset		
Expected credit loss (ECL)	2,765.24	2,562.55
Provision for employee benefits	36.65	11.07
Intangible Assets	111.67	114.21
Derivative Financial Instruments*	-	21.67
Lease Liability	5.30	-
Gross deferred tax asset (B)	2,918.87	2,709.50
Net Deferred Tax Asset/(Liability) (C) = (B) - (A)	2,384.97	2,609.29

*During the year ended 31st March, 2025, the Company has recognised a fair value gain on derivative financial instruments, which has been considered as taxable income under the Income-tax Act. However, the fair value loss on the same recognised for the year ended 31st March, 2024 was not allowed as a deductible expense for tax purposes.

This results in a difference between the carrying amount of the derivative financial instruments in the financial statements and its tax base, leading to the recognition

9.1 Reconciliation of deferred tax assets/ (liabilities)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	2,609.29	(290.37)
Recognised in statement of profit and loss/ adjustments	(224.31)	2,899.66
Recognised in statement of profit and loss under OCI	-	-
Closing balance	2,384.97	2,609.29



AA

h



h

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)

10(a) Property, Plant and Equipment

	Office equipment	Right of Use assets (Vehicles on Lease)*	Total
Gross Carrying Amount			
Balance as at March 31, 2023	-	-	-
Additions	-	19.29	19.29
Disposals	-	-	-
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
Accumulated Depreciation			
Balance as at March 31, 2023	-	-	-
Charge for the year	-	6.43	-
Disposals	-	-	-
Balance as at March 31, 2024	-	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
Net Book Value			
Net balance as at March 31, 2024	-	12.86	19.29
Net balance as at March 31, 2025	1.17	20.02	21.19

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

The Company has not revalued any of its property, plant and equipment during the financial years ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/

10(b) Intangible assets under development:

Particulars	Software	Total
Gross Carrying Amount		
Balance as at March 31, 2023	49.87	49.87
Capitalised during the year	(49.87)	(49.87)
Disposals	-	-
Addition	12.50	12.50
Balance as at March 31, 2024	12.50	12.50
Capitalised during the year	(4.86)	(4.86)
Disposals	(12.50)	(12.50)
Addition	24.25	24.25
Balance as at March 31, 2025	19.39	19.39

The Company had a temporarily suspended project amounting to Rs. 12.50 Lakhs as at March 31, 2024 which has been disposed off during the year ended March 31, 2025. Further, the Company does not have any projects which are temporarily

-Space intentionally left blank-



JA

h



h

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)

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

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
Project in Progress	19.39	-	-	19.39

Intangible assets under development as on March 31, 2024

Intangible assets under development	Amount in intangible assets under development for the period of			Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years
Project in Progress	12.50	-	-	12.50

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

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
Project in Progress	-	-	-	-

Intangible assets under development as on March 31, 2024

Intangible assets under development	To be Completed in			Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years
Project in Progress*	12.50	-	-	12.50

*The project was disposed off during the financial year ended 31st March, 2025.

-Space intentionally left blank-



[Signature]

[Signature]

[Signature]

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)

10(c) Intangible assets

Particulars	Software	Total
Gross Carrying Amount		
Balance as at March 31, 2023	1,866.09	1,866.09
Additions	409.30	409.30
Disposals	-	-
Balance as at March 31, 2024	2,275.39	2,275.39
Additions	49.16	49.16
Disposals	-	-
Balance as at March 31, 2025	2,324.55	2,324.55
Accumulated Amortization		
Balance as at March 31, 2023	362.60	362.60
Charge for the year	1,040.64	1,040.64
Disposals	-	-
Balance as at March 31, 2024	1,403.24	1,403.24
Charge for the year	330.65	330.65
Disposals	-	-
Balance as at March 31, 2025	1,733.89	1,733.89

Net Book Value

Net balance as at March 31, 2024	872.15	872.15
Net balance as at March 31, 2025	590.66	590.66

The Company has not revalued any of its intangible assets during the years ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil.



-Space intentionally left blank-

[Signature]

[Signature]



[Signature]

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)

11 Other non- financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Other recoverable	474.19	-
Prepaid Expenses	14.95	79.20
Total	489.15	79.20

12 Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises s (Refer note 34)	393.62	70.51
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises*	2,151.53	1,057.77
Total	2,545.15	1,128.28

*Includes payable to other related parties Rs. 1811.65 Lakhs (March 31, 2024: Rs. 493.71 Lakhs).

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 Payable ageing schedule as on March 31, 2024

Particular	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years:	
(i) MSME	70.51	-	-	-	70.51
(ii) Others	1,051.44	0.48	-	-	1,051.92
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	5.85	5.85
Total	1,121.95	0.48	-	5.85	1,128.28

13 Debt Securities

At amortised cost	As at March 31, 2025	As at March 31, 2024
Secured *		
Non-convertible debentures	33,258.15	17,469.92
Total gross (A)	33,258.15	17,469.92
Add: Accrued Interest	104.99	36.49
Less: Unamortised Borrowing Cost	(1,976.19)	(116.23)
Total Net (A)	31,386.95	17,390.17
Debt securities in India	31,386.95	17,390.17
Debt securities outside India	-	-
Total (B)	31,386.95	17,390.17

* Secured against exclusive charge by way of hypothecation of lending book/ receivables of the Company.

-Space intentionally left blank-



JA

h



h

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)

13.1 Details of debt securities:

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, 2025, the Company has raised Rs 33,632.85 Lakhs (March 31, 2024 Rs 20,450.00 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. 51,450.00 Lakhs and Rs. Nil, for year ended 31st March, 2025 and 31st March, 2024 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. 464.57 Lakhs and Rs. Nil for year ended 31st March, 2025 and 31st March, 2024 respectively.

13.2 Terms of repayment of Debt Securities Outstanding

As at 31st March 2025

No. Of Debentures	Option available	Face Value (Rs.)	Interest (%)	Date Of Redemption	Outstanding Amount
Listed NCDs					
3000	No Option	100,000	14.50%	3/29/2026	3,000.00
500	No Option	100,000	13.00%	4/24/2025	125.00
500	No Option	100,000	12.00%	6/21/2025	500.00
4000	No Option	100,000	10.01%	12/21/2025	4,000.00
3000	No Option	100,000	10.01%	12/21/2025	3,033.15
16000	No Option	10,000	12.50%	2/19/2026	1,600.00
5000	No Option	100,000	10.01%	2/22/2026	5,000.00
5000	No Option	100,000	10.01%	4/17/2026	5,000.00
2000	No Option	100,000	11.90%	12/3/2026	2,000.00
2500	No Option	100,000	14.00%	12/31/2026	2,500.00
5500	Put Option	100,000	12.00%	8/14/2028	5,500.00
1000	No Option	100,000	12.00%	12/3/2029	1,000.00
Total					33,258.15

As at 31st March 2024

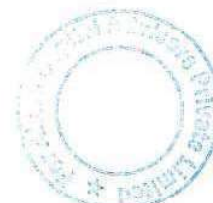
No. Of Debentures	Option available	Face Value (Rs.)	Interest (%)	Date Of Redemption	Outstanding Amount
Listed NCDs					
300	No Option	1,000,000	11.75%	6/28/2024	500.00
3000	No Option	100,000	11.50%	10/31/2024	1,500.00
2000	No Option	100,000	11.50%	5/28/2025	1,600.00
4000	No Option	100,000	10.01%	1/21/2025	2,666.67
1800	No Option	100,000	11.04%	12/31/2024	360.00
4950	No Option	100,000	11.05%	5/11/2024	1,237.50
Subtotal (A)					7,864.17
Unlisted NCDs					
2700	No Option	100,000	13.05%	4/14/2024	450.00
400	No Option	1,000,000	14.00%	12/1/2024	1,524.80
750	No Option	1,000,000	14.00%	12/31/2024	3,214.29
250	No Option	1,000,000	14.00%	3/31/2025	1,500.00
3000	No Option	100,000	14.00%	12/1/2024	1,333.33
500	Call Option	500,000	13.50%	11/30/2024	1,333.33
1000	No Option	100,000	11.05%	6/30/2024	250.00
Subtotal (B)					9,605.75
Total (A) + (B)					17,469.92

-Space intentionally left blank-



SA

h



Th

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)

14 Borrowings (Other Than Debt Securities) - At amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Terms Loans		
From Financial Institutions	10,272.37	25,478.42
From Banks	4,714.67	2,917.65
Inter Corporate Deposits	791.67	1,348.46
Foreign Loan		
From Holding Company	52,893.07	37,500.73
Securitisation-Rupee Loans		
From Financial Institutions	3,893.04	-
Unsecured		
Commercial Paper		
From LLP(for Mar'25) & AIF(for Mar'24)	525.00	2,000.00
Lease Liability*	21.07	13.73
Total gross (A)	73,110.89	69,258.99
Add: Accrued Interest ECB	409.94	224.10
Add: Accrued Interest on Term Loans	91.06	143.61
Add: Borrowings Revaluation Reserve	2,135.77	787.52
Less: Unamortised Borrowing Cost	(123.77)	(281.90)
Total Net (A)	75,623.89	70,132.31
Borrowings in India	20,185.11	31,619.97
Borrowings outside India	55,438.78	38,512.34
Total (B)	75,623.89	70,132.31

*For details of Lease Liability, refer Note 37.

There are no borrowings measured at 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. 21,304.00 Lakhs and Rs. 42,083.00 Lakhs, for year ended 31st March, 2025 and 31st March, 2024 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. 180.71 Lakhs and Rs. 407.02 Lakhs for year ended 31st March, 2025 and 31st March, 2024 respectively.

End Use: The Company has taken borrowings from banks, NBFCs and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date.

Security:

1. The Term loans and Foreign Loan are secured against exclusive charge by way of hypothecation of lending book/ receivables of the Company.
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 carry rate of interest from the range of 9.50% p.a. to 14.00% p.a. and tenor from 9 months to 2 years along with monthly repayment schedule during the year ended 31st March, 2025 and 31st March, 2024.
2. Commercial Papers have been issued at discount rate ranging from 15.00% p.a. to 15.15 % p.a. and tenor from 91 days to 182 days during the year ended 31st March, 2025 and 31st March, 2024.



SA

am



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)

14.1 Terms of repayment of long term borrowings (Other Than Debt Securities) outstanding

Rate	Tenure	Installments	As at March 31, 2025	As at March 31, 2024
Fixed	<1 Year	1	24,718.19	2,000.00
		2	-	743.52
		3	100.00	1,818.64
		4	-	1,083.02
		5	166.67	3,868.33
		6	1,121.87	1,878.65
		7	-	1,296.55
		9	606.18	1,600.00
		10	-	421.51
		11	244.44	-
		12	3,434.42	1,667.66
		1-2 Years	1	13,307.67
	3		399.31	-
	4		-	133.33
	6		179.23	-
	7		155.56	-
	8		185.49	-
	12		3.34	7.34
	2-3 Years	1	15,392.34	13,307.67
		12	3.84	-
	3-4 Years	10	3.64	-
Floating	<1 Year	1	30.79	139.49
		3	786.46	-
		4	166.67	1,219.45
		5	1,478.04	2,418.00
		6	750.00	375.00
		8	600.00	1,059.25
		9	-	3,881.25
		10	841.96	-
		11	1,413.41	922.15
		12	5,032.55	3,818.83
	1-2 Years	1	157.43	31.17
		2	62.50	-
		3	-	187.50
		4	-	166.67
		5	477.08	208.33
		6	375.00	-
		7	437.50	-
		8	-	333.33
		10	312.50	-
		11	166.83	229.17
		12	-	249.99
Total			73,110.89	69,258.99



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)

15 Other financial liabilities (at amortised cost)

Particulars	As at March 31, 2025	As at March 31, 2024
Loan pending disbursement*	57.72	154.09
Collection from Customer**	4.65	166.37
Security Deposit Payable	-	109.35
Due to Colenders***	20.22	197.46
Statutory remittances****	761.61	676.98
Employee related payable	276.90	141.57
Expense and Other Payables	71.87	7.23
Total	1,192.97	1,453.05

*Represents loan facilities sanctioned and approved, the disbursement of which is pending from the bank as at the reporting date.

**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.

****Represents Net payable towards GST, TDS, Provident Fund and Labour Welfare Fund (LWF).

16 Current tax liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Tax (Net of TDS Receivable and Advance Tax)	2,381.91	3,033.32
Total	2,381.91	3,033.32

17 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for compensated absences*	65.99	22.20
Provisions for Gratuity	79.60	44.99
Other Provisions		
Provision for Expenses	670.38	479.16
Total	815.97	546.35

*Represents provision for Leave Encashment payable to employees towards earned leaves.

-Space intentionally left blank-



SA

[Signature]



[Signature]

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)

18 Share Capital

Authorised Share Capital
Particulars

Particulars	Equity Shares		Preference Shares	
	Number of shares	Amount (in INR Lakhs)	Number of shares	Amount (in INR Lakhs)
As at March 31, 2023	400,000,000	40,000	-	-
Increase during the year	-	-	-	-
As at March 31, 2024	400,000,000	40,000	-	-
Increase during the year	-	-	-	-
As at March 31, 2025	400,000,000	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

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, 2023	270,559,331	27,055.93
Add: shares issued during the year	45,434,667	4,543.47
As at March 31, 2024	315,993,998	31,599.40
Add: shares issued during the year	-	-
As at March 31, 2025	315,993,998	31,599.40

18.2 Shares held by holding Company and Beneficiaries

Name of the promoter	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of shareholding	Number of shares	% of shareholding
Shruti Aggarwal (Beneficial Owner- Morus Technologies Pte. Ltd.)	100	0.00003%	100	0.00003%
Morus Technologies Pte. Ltd. (Holding Company)	315,993,898	99.99997%	315,993,898	99.99997%
Total	315,993,998	100.00%	315,993,998	100.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above

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

Name of the promoter	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of shareholding	Number of shares	% of shareholding
Equity shares of Rs. 10 each fully paid	315,993,898	99.99997%	315,993,898	99.99997%
Morus Technologies Pte. Ltd. (Holding Company)	315,993,898	99.9999684%	315,993,898	99.99997%
Total				

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above

18.4 Shareholding of promoter in the company(Equity)

Name of the promoter	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% of shareholding	% Change during the year	Number of shares	% of shareholding	% Change during the year
Shruti Aggarwal (Beneficial Owner- Morus Technologies Pte. Ltd.)	100	0.00003%	-	100	0.00003%	-
Morus Technologies Pte. Ltd. (Holding Company)	315,993,898	99.99997%	-	315,993,898	99.99997%	16.793%

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

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

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

- issued equity share without payment being received in cash.
- issued equity share by way of bonus share.
- bought back any of its share.

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



Handwritten signature

Handwritten signature



Handwritten signature

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)

19 Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Other Equity		
Share Premium A/c		
Opening Balance	15,095.27	10,551.80
Add : Premium on Issue of equity shares	-	4,543.47
Balance at the end of the year	15,095.27	15,095.27
Reserve U/s 45-IC of the Reserve Bank of India Act		
Opening Balance	2,231.77	855.34
Add : Amount transferred from surplus of Profit and Loss	1,707.54	1,376.43
Balance at the end of the year	3,939.31	2,231.77
Share Based Payments Reserve		
Opening Balance	6,036.00	3,856.32
Add: Share Based Payment Reserve (Parent)	1,440.02	2,179.69
Balance at the end of the year	7,476.02	6,036.00
Retained earnings		
Opening Balance	4,315.92	(1,189.79)
Add : Profit for the year	8,484.40	6,882.13
Add: Addition to reserve*	53.30	-
Less : Transferred to statutory reserves	(1,707.54)	(1,376.43)
Balance at the end of the year	11,146.08	4,315.92
*Represents tax benefit arising during the year, directly credited to retained earnings.		
Other Comprehensive Income		
Opening Balance	(1.52)	10.22
Add : Other comprehensive income	5.48	(15.68)
Less : Income-tax effect on other comprehensive income	(1.38)	3.95
Balance at the end of the year	2.59	(1.52)
Total Other Equity	37,659.27	27,677.45

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

b. Statutory reserve/Reserve U/s 45-IC of the Reserve Bank of India Act 1961

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

c. Share Based Payments Reserve

Share Based Payments Reserve represents the value of equity share options granted to employees under a share-based payment arrangement. Here the options are being granted by the parent company (Morus Technologies Pte Limited) to the employees of the subsidiary (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.



[Signature]

[Signature]



[Signature]

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)

20	Interest income - On financial assets measured at Amortised cost		
	Particulars	For the year March 31, 2025	For the year March 31, 2024
	Interest income from loan financing	47,084.70	43,900.30
	Interest income on deposits with Banks	433.63	221.78
	Total	47,518.34	44,122.07
21	Fees and commission Income		
	Particulars	For the year March 31, 2025	For the year March 31, 2024
	Service and other fees	23,429.56	34,340.96
	Total	23,429.56	34,340.96
22	Net gain/(loss) on fair value changes		
	Particulars	For the year March 31, 2025	For the year March 31, 2024
	Total net gain on fair value changes on financial instruments measured at fair value through profit and loss		
	Loss/ (Gain) on Fair Value changes in derivative financial instruments	(16.43)	86.11
	Total Net gain on fair value changes	(16.43)	86.11
	Total net gain on fair value changes on financial instruments measured at fair value through profit and loss		
	Fair value changes		
	Realised	-	-
	Unrealised	(16.43)	86.11
	Total Net gain on fair value changes	(16.43)	86.11
23	Other income		
	Particulars	For the year March 31, 2025	For the year March 31, 2024
	Interest Income on Cash Margin to Lender	-	10.73
	Income on Sale of Bonds	-	1.89
	Income From PTC Portfolio	1.22	21.37
	Miscellaneous Income	4.64	7.98
	Total	5.86	41.97
24	Finance Costs		
	Particulars	For the year March 31, 2025	For the year March 31, 2024
	Interest Expenses on financial liabilities measured at Amortised cost :-		
	Borrowings		
	Interest on Loans from Banks	591.20	591.88
	Interest on Loans from financial institutions	3,487.70	4,195.83
	Interest on foreign loan from holding company	4,717.12	2,632.42
	Interest on loan from related party	8.62	
	Interest on WCDL	-	194.18
	Interest Expenses on ICD's	131.67	296.02
	Interest Expenses on Commercial Paper	106.87	191.45
	Interest Expenses on PTC-Securitisation	102.86	-
	Forex Loss	1,347.70	789.34
	Debt Securities		
	Interest on Debentures	2,564.48	4,288.60
	Interest On Lease	1.85	2.35
	Other Borrowing Cost*	1,738.66	1,803.01
	Total	14,798.74	14,985.09

*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. Rs. 407.02 Lakhs for year ended 31st March, 2024.



SA

h



h

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)

25 Impairment on financial instruments

Particulars	For the year March 31, 2025	For the year March 31, 2024
On financial instruments measured at Amortised cost		
Impairment Allowance on Loans*	805.30	5,435.54
Bad Debts**	31,852.38	34,945.17
Total	32,657.68	40,380.71

*Impairment Allowance on Loans includes impairment provision towards FLDG Recoverable (such assets are shown in Note 7)

**Represents bad debts written off during the year, net of amounts recovered.

For details of impairment assessment, Refer Note No. 55 (A)

26 Employee Benefits Expenses

Particulars	For the year March 31, 2025	For the year March 31, 2024
Salaries and wages	2,523.86	1,227.25
Director Remuneration	51.56	41.25
Contribution to provident and other funds	66.54	42.83
Gratuity (refer note 32)	21.96	8.35
Expense for compensated absences*	38.68	29.19
Staff welfare expense	3.58	1.43
Share Based Payments**	1,440.02	2,179.69
Total	4,146.20	3,529.98

*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, 2025	For the year March 31, 2024
Depreciation on Tangible Assets and ROU	7.55	6.43
Amortisation on intangible assets	330.65	1,040.64
Total	338.21	1,047.07

28 Other expenses

Particulars	For the year March 31, 2025	For the year March 31, 2024
Direct Expense	5,060.28	9,602.04
Communication Expenses	17.73	0.24
Printing & Stationery	1.94	6.58
Auditor's Remuneration (detailed in 28(a))	11.73	10.20
Legal & Professional	426.60	174.09
Commission	298.32	43.55
Insurance Expenses	2.12	1.52
Travelling & Conveyance	37.62	26.09
Electricity and Telephone Expense	8.11	4.02
Corporate social responsibility expenses (refer Note 35)	165.18	63.47
Rent and Facility Fees	105.21	49.69
Business Auxiliary Services	2.53	5.57
Bank Charges	111.57	122.23
Director Setting Fees	59.25	38.63
Annual and Subscription Fees	13.17	1.56
Filing Fee	34.77	112.72
Interest & penalty on statutory payments	20.37	0.38
Miscellaneous Expenses	919.25	1,001.53
Total	7,295.75	11,264.10

28(a) Auditor's remuneration

Particulars	For the year March 31, 2025	For the year March 31, 2024
As auditor		
For statutory audit	8.28	7.20
For Limited Review/ Interim Audit	3.45	3.00



SA

h



R

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)

29 Income Tax

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024

Recorded in Statement of Profit & Loss Account	As at March 31, 2025	As at March 31, 2024
Current income tax:		
Current income tax charge		
a) Pertaining to profit for the current period	3,024.89	3,218.31
b) Adjustment of tax relating to earlier periods	-	11.17
Deferred tax:		
Relating to the origination and reversal of temporary differences	224.31	(2,899.66)
Income tax expense reported in the statement of profit or loss	3,249.20	329.82
Other Comprehensive Income		
Income Tax relating to remeasurement gains/(losses) on defined benefit plans	1.38	(3.95)
Income tax expense reported in other comprehensive section	1.38	(3.95)

30 Earning Per Share

Particulars	For the year March 31,	For the year March 31,
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.)	315,993,998	286,802,513
Net profit for calculation of basic EPS (in Rs. Lakhs)	8,484.40	6,882.13
Basic earning per share (In Rs.)	2.68	2.40
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (in No)	315,993,998	286,802,513
Net profit for calculation of Diluted EPS (in Rs. Lakhs)	8,484.40	6,882.13
Diluted earning per share (In Rs.)	2.68	2.40
Reconciliation of Weighted average number of shares outstanding		
Weighted average number of equity shares of computation of Basic EPS	315,993,998	286,802,513
Add : Dilutive potential equity shares	-	-
Weighted average number of equity shares of computation of Diluted EPS	315,993,998	286,802,513
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, Morus Technologies Pte. Ltd., and does not result in any dilution of equity in the Company.

-Space intentionally left blank-



OA

h



h

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)

31. Employee Stock Option Plan

I. The Company has formulated share-based payment schemes for the Group employees - ("Plan"). Details of all grants in operation during the year ended March 31, 2024 are as given below:

Date of grant	Stock price on the date of grant (INR)	Summary of Stock option liability with respect to Employees						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
		Number of Options granted	Number of Options Vested	Number of Options Unvested**	Number of Options Surrendered	Number of Options Lapsed*	First vesting date			
4/1/2017	4,763.54	268.00	268.00	-	-	-	4/1/2018	10.24	-	10.24
10/1/2017	4,807.07	215.00	215.00	-	-	-	10/1/2018	10.34	-	10.34
4/1/2018	5,516.65	17.00	17.00	-	-	-	4/1/2019	0.94	-	0.94
10/1/2018	6,181.75	70.00	70.00	-	-	-	10/1/2019	-	-	-
4/1/2019	7,680.12	577.00	571.00	-	-	6.00	4/1/2020	33.10	-	33.10
10/1/2019	7,856.94	53.00	53.00	-	-	-	10/1/2020	2.36	-	2.36
4/1/2021	10,535.13	1,051.00	511.00	110.00	-	430.00	4/1/2022	24.23	2.26	26.49
10/1/2021	10,670.97	780.00	181.00	15.00	-	583.00	10/1/2022	2.37	0.42	2.79
4/1/2022	45,840.69	818.00	87.00	41.00	-	690.00	4/1/2023	26.13	4.18	30.31
9/12/2022	61,213.44	158.00	31.00	-	-	127.00	9/12/2023	18.98	-	18.98
10/1/2022	62,799.27	185.00	42.00	66.00	-	77.00	10/1/2023	3.30	5.00	8.30
11/21/2022	62,845.04	460.00	92.00	-	230.00	138.00	11/21/2023	-	-	-
4/1/2023	63,267.56	15.00	4.00	11.00	-	-	10/1/2024	2.53	2.52	5.05
4/3/2023	63,267.56	475.00	-	-	117.00	358.00	4/3/2024	-	-	-
7/11/2023	63,482.72	8.00	2.00	6.00	-	-	1/11/2025	1.27	1.15	2.42
8/1/2023	63,358.83	76.00	-	-	-	76.00	2/1/2025	-	-	-
8/10/2023	63,757.11	8.00	-	-	-	8.00	2/10/2025	-	-	-
8/14/2023	64,023.96	8.00	2.00	-	-	6.00	2/14/2025	0.32	-	0.32
8/29/2023	63,650.21	26.00	7.00	19.00	-	-	2/28/2025	4.46	3.51	7.96
9/18/2023	64,026.03	39.00	-	-	-	39.00	3/18/2025	-	-	-
10/1/2023	64,107.56	39.00	7.00	32.00	-	-	10/1/2024	2.24	3.73	5.97
10/3/2023	64,124.96	31.00	-	-	-	31.00	4/3/2025	-	-	-
10/16/2023	64,156.99	117.00	-	117.00	-	-	4/16/2025	-	-	-
10/25/2023	63,958.97	383.00	-	-	-	383.00	4/25/2025	-	9.85	9.85
11/6/2023	64,054.22	11.00	-	-	-	11.00	5/6/2025	-	-	-
12/6/2023	64,197.56	66.00	-	-	-	66.00	6/6/2025	-	-	-
1/8/2024	63,990.35	230.00	-	230.00	-	-	7/8/2025	-	39.06	39.06
1/15/2024	63,791.91	77.00	-	-	-	77.00	7/15/2025	-	-	-
3/18/2024	63,837.57	115.00	-	-	-	115.00	9/18/2025	-	-	-
4/1/2024	61,339.40	1,149.00	-	1,020.00	-	129.00	4/1/2025	-	66.72	66.72
4/2/2024	61,321.09	45.00	-	45.00	-	-	4/2/2025	-	0.34	0.34
4/22/2024	61,330.06	383.00	-	-	-	383.00	10/22/2025	-	-	-
4/29/2024	61,364.56	92.00	-	-	-	92.00	10/29/2025	-	-	-
5/1/2024	61,385.45	77.00	-	-	-	77.00	11/1/2025	-	-	-
5/27/2024	61,118.80	26.00	-	26.00	-	-	11/27/2025	-	-	-
6/10/2024	61,439.96	115.00	-	-	-	115.00	12/10/2025	-	3.47	3.47
6/17/2024	61,439.52	15.00	-	-	-	15.00	12/17/2025	-	-	-
7/2/2024	61,403.99	207.00	-	207.00	-	-	1/2/2026	-	25.08	25.08



Signature

Signature



Signature

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)

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 options accrued** (INR in Lakhs)	Total Liability as on 31st March, 2025
7/8/2024	61,395.09	153.00	-	-	-	153.00	1/8/2026	-	-	-
7/22/2024	61,571.96	268.00	-	153.00	-	115.00	1/22/2026	-	12.36	12.36
7/29/2024	61,602.49	76.00	-	76.00	-	-	1/29/2026	-	8.26	8.26
8/26/2024	61,672.12	108.00	-	-	-	108.00	2/26/2026	-	-	-
9/30/2024	61,618.17	92.00	-	92.00	-	-	3/30/2026	-	7.47	7.47
10/1/2024	61,688.12	31.00	-	31.00	-	-	10/1/2025	-	2.75	2.75
10/14/2024	61,875.18	230.00	-	230.00	-	-	4/14/2026	-	17.43	17.43
10/16/2024	61,829.87	115.00	-	115.00	-	-	10/16/2025	-	9.53	9.53
11/21/2024	62,108.51	3.00	-	3.00	-	-	5/21/2026	-	0.13	0.13
12/1/2024	62,257.03	59.00	-	59.00	-	-	12/1/2025	-	3.49	3.49
12/16/2024	62,415.18	230.00	-	230.00	-	-	6/16/2026	-	10.99	10.99
1/2/2025	63,169.53	15.00	-	15.00	-	-	7/2/2026	-	0.59	0.59
1/6/2025	63,084.57	443.00	-	443.00	-	-	7/6/2026	-	17.12	17.12
1/9/2025	63,196.38	7.00	-	7.00	-	-	7/9/2026	-	0.23	0.23
1/10/2025	63,297.08	133.00	-	105.00	-	28.00	1/10/2026	-	3.36	3.36
1/16/2025	63,640.71	170.00	-	52.00	-	118.00	7/16/2026	-	1.76	1.76
2/13/2025	63,859.36	15.00	-	15.00	-	-	8/13/2026	-	0.31	0.31
2/19/2025	63,917.77	192.00	-	192.00	-	-	8/19/2026	-	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.

-Space intentionally left blank-



[Signature]

[Signature]

[Signature]

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)

Summary of Stock option liability with respect to Founders										
Date of grant	Stock price on the date of grant (INR)	Number of Options granted	Number of Options Vested	Number of Options 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
10/1/2016	4,891.86	23,759.20	23,759.20	-	-	-	3/31/2018	1,162.27	-	1,162.27
6/1/2020	10,832.12	10,814.31	10,814.31	-	-	-	11/30/2021	1,171.42	-	1,171.42
9/1/2022	61,383.82	9,096.62	3,638.62	5,458.00	-	-	2/29/2024	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 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 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.

-Space intentionally left blank-



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)

II. Reconciliation of Options Expense and Liability

Particulars	Value
Options granted as on 01-04-2021	1,528
Options Vested during FY 21-22	626
Options Surrendered during FY 21-22	-
Expense to be booked till reporting March 22-Employees (In Rs. Lakhs)	63.31
Expense to be booked till reporting March 22-Founders (In Rs. Lakhs)	1,986.11
Total Liability as on 31st March 2022 (In Rs. Lakhs)	2,049.42
Options Granted during FY 22-23	2,511
Options Vested during FY 22-23	891
Options Surrendered during FY 22-23	230
Expense to be booked till reporting March 23-Employees (In Rs. Lakhs)	112.04
Expense to be booked till reporting March 23-Founders (In Rs. Lakhs)	3,744.27
Differential Expense Booked in FY 22-23 (In Rs. Lakhs)	1,806.90
Total Liability as on 31st March 2023 (In Rs. Lakhs)	3,856.32
Options Granted during FY 23-24	3,833
Options Vested during FY 23-24	1,144
Options Surrendered during FY 23-24	117
Expense to be booked till reporting March 24-Employees (In Rs. Lakhs)	172.78
Expense to be booked till reporting March 24-Founders (In Rs. Lakhs)	5,863.22
Differential Expense Booked in FY 23-24 (In Rs. Lakhs)	2,179.69
Total Liability as on 31st March 2024 (In Rs. Lakhs)	6,036.00
Options Granted during FY 24-25	3,933
Granted Options Transferred from fellow subsidiary during FY 24-25	3,051
Options Transferred 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

-Space intentionally left blank-



[Handwritten signature]

[Handwritten signature]



[Handwritten signature]

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)

32 Employee Benefits

Retirement Benefit Plan

A. Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Employees' Provident Fund and Employees' State Insurance schemes, which are defined contribution plans. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to recognized provident fund	66.54	42.76
Contribution to employee state insurance schemes	-	0.07
Total	66.54	42.83

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, 2025	Year ended March 31, 2024
Current service cost	15.00	9.00
Interest cost	4.74	1.57
Past Service Cost	-	-
Expected return on plan asset*	-	-
Benefits paid during the year	(24.12)	(2.22)
Net expense	(4.38)	8.35

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

Remeasurement (gains)/ loss recognised in other comprehensive income:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurement (gain) / loss on obligations arising from changes in experience adjustments	(0.52)	1.15
Remeasurement (gain) / loss on obligations arising from changes in financial assumptions	0.13	14.53
Remeasurement (gain) / loss on obligations arising from changes in demographic assumptions	-	-
Remeasurement (gain) / loss arising during the year	(0.39)	15.68

Net defined benefit liability

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Present value of defined benefit obligation	79.60	44.99
Fair value of plan assets*	-	-
Plan liability	79.60	44.99

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

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening defined benefit obligation	44.99	20.95
Liability Transferred	39.38	-
Current service cost	15.00	9.00
Interest cost	4.74	1.57
Benefits paid during the year	(24.12)	(2.22)
Remeasurement (gain)/loss on obligation	(0.39)	15.68
Closing defined benefit obligation	79.60	44.99



SA

[Signature]



[Signature]

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)

The principle assumptions used in determining gratuity obligations for the Company are shown below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	7.00%	7.25%
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.

Sensitivity Analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2025		As at March 31, 2024
	For Original Employees	For Transferred Employees	
a) Effect of 1% change in assumed discount rate			
-1% increase	-1.00%	-3.00%	-3.00%
-1% decrease	2.00%	3.00%	3.00%
b) Effect of 1% change in assumed salary escalation rate			
-1% increase	1.00%	2.00%	2.00%
-1% decrease	-1.00%	-2.00%	-2.00%
c) Effect of 1% change in assumed withdrawal rate			
-1% increase	-1.00%	-2.00%	-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, 2025	As at March 31, 2024
Current service cost	40.95	29.19
Interest cost	2.50	-
Benefits paid during the year	(28.14)	-
Net expense	15.31	29.19

Remeasurement (gains)/ loss recognised in other comprehensive income:

Particulars	As at March 31, 2025	As at March 31, 2024
Remeasurement (gain) / loss on obligations arising from changes in experience adjustments	5.80	1.15
Remeasurement (gain) / loss on obligations arising from changes in financial assumptions	0.07	14.53
Remeasurement (gain) / loss on obligations arising from changes in demographic assumptions	-	-
Remeasurement (gain) / loss arising during the year	5.87	15.68

Net defined benefit liability

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	65.99	22.20
Fair value of plan assets*	-	-
Plan liability	65.99	22.20

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



BA

2



h

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)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	22.20	11.78
Liability Transferred	22.60	
Current service cost	40.95	29.19
Interest cost	2.50	
Benefits paid during the year	(28.14)	(18.76)
Remeasurement (gain)/loss on obligation	5.87	
Closing defined benefit obligation	65.99	22.20

The principle assumptions used in determining Compensated Absences obligations for the Company are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	7.00%	7.25%
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.

Sensitivity Analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2025		As at March 31, 2024
	For Original Employees	For Transferred Employees	
a) Effect of 1% change in assumed discount rate			
-1% increase	-3.00%	-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, 2025	As at March 31, 2024
- Gratuity	21.96	8.35
- Leave Encashment	38.68	29.19

Amount Recognised in Statement of OCI

	As at March 31, 2025	As at March 31, 2024
- Gratuity	(0.39)	15.68
- Leave Encashment	5.87	-

Amount Recognised in Balance Sheet :

	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the end		
- Gratuity	79.60	44.99
- Leave Encashment	65.99	22.20



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)

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	As at March 31, 2025	As at March 31, 2024
(a) The principal amount remaining unpaid to any supplier as at the end of the year;	393.62	70.51
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year;	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, 2025	For the year March 31, 2024
a) Gross amount required to be spent by the Company for respective financial year	165.18	62.79
a.1) Amount approved by Board for CSR expenditure	165.18	62.79
b) Amount spent during the year	165.18	63.47
c) Shortfall / (Excess) at the end of the year (a-b)	-	(0.67)
d) Carried Forward (Excess) CSR spends from previous years	(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)



SA

[Signature]



[Signature]

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)

Details of Unspent Amount

Particulars	For the year March 31, 2025	For the year March 31, 2024
a) Opening balance	-	1.22
b) Amount spent during the year	-	1.22
c) Total Shortfall / (Excess) spends carried forward at the year-end	-	-

Note: The Company has paid the CSR shortfall of year ended 31st March 2023 in the year ended 31st March 2024.

Details of Amount spent in excess

Particulars	For the year March 31, 2025	For the year March 31, 2024
a) Opening balance	-	-
b) Amount excess spent / (adjusted) during the year	0.67	-
c) Total Excess spends carried forward at the year-end	0.67	0.67

Amount spent during the year on CSR activities

Particulars	For the year March 31, 2025			For the year March 31, 2024	
	Paid or Settled	Yet to be paid	Total	Paid or Settled	Total
a) Academic support centres for basic education of specially abled kids	30.00	-	30.00	13.00	13.00
b) Project of Birds and Animals Hospital, Women Empowerment, Ayurved and Naturopathy Empowerment	135.18	-	135.18	50.47	50.47
Total	165.18	-	165.18	63.47	63.47

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.



SA

[Signature]



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)

Review and Approval of Related Party Transactions

Related Party Transactions are referred to the next regularly scheduled meeting of the Audit Committee for review /noting and/ or approval as above.

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

- i. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- ii. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

In any case, where the Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.

a. Names of related parties identified in accordance with IND AS -24 are given below :

1. Entities where control exists:	Morus Technologies Pte Ltd, Holding Company
2. Fellow subsidiaries	EQX Analytics Private Limited Titanium Fortune Financial Services Private Limited
3. Companies with Common Directorship	Santra Digital Services Private Limited (Strike Off) Drupe Finance IFSC Private Limited Platinum Industries Limited Paizalo Digital Limited Integro Finserv Private Limited PNB Cards & Services Limited (till 26-05-2023) N R Agarwal Industries Limited (till 20-09-2024)
4. Key Managerial Personnel	
Managing Director	Tushar Aggarwal
Director	Shruti Aggarwal
Company Secretary	Simarjeet Singh (w.e.f. 31-01-2025) Ashish Singh (w.e.f. 30-04-2024 till 05-11-2024) Sonia Rakesh Thakur (till 14-03-2024) Pankaj Kumar (w.e.f. 05-07-2023)
Chief Financial Officer (CFO)	
5. Independent Director/Non Executive Directors	Radhakrishnan Ramachandra Iyer Vijay Jasuja Vijay Ronjan
6. Enterprises owned or significantly influenced by Key Managerial Personnel or their relatives	Star Shine Partners Vishuv Invest Private Limited



SA



h

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)

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, 2025	For the year March 31, 2024
Morus Technologies Pte Ltd		
Issue of equity shares	-	4,543.47
Securities premium received	-	4,543.47

2. Other Transactions

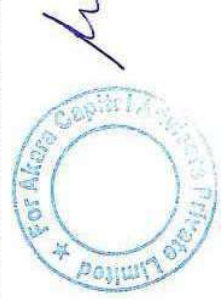
A. Transactions with the related parties other than key management personnel during the year:

Particulars	Nature of transaction	For the year March 31, 2025	For the year March 31, 2024
Morus Technologies Pte Ltd	Foreign Loan received from Holding Company (ECB)	15,392.34	13,307.54
	Interest Payment on Foreign Loan	4,478.94	2,632.42
	Commission on Corporate Guarantee*	376.65	-
EQX Analytics Private Limited	Lead Generation Expenses	1,727.32	6,401.30
	Reimbursement of expenses	1.94	0.63
	Bad Debt Recovery on behalf of EQX Analytics Private Limited**	596.77	905.91
	Infra Sharing Expenses	83.85	35.37
	Compensation for employee benefits of transferred employees	73.85	-
	Commission on Corporate Guarantee*	675.65	-
	Rental Income	1.25	-
	Customer collections received on behalf of EQX Analytics Private Limited	77.00	136.48
Titanium Fortune Financial Services Private Limited	Loan Taken	335.00	782.04
	Loan Repaid	335.00	782.04
	Interest on Loan Taken	7.22	8.24
Vishuv Invest Private Limited	Loan Taken	225.00	-
	Loan Repaid	225.00	-
	Interest on Loan Taken	1.17	-

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 current year includes amounts pertaining to the previous financial year, 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.



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)

B. Transactions with the key management personnel during the year:

Particulars	Nature of transaction	For the year March 31, 2025	For the year March 31, 2024
Shruti Aggarwal	Managerial remuneration Reimbursement of Expenses Loan Taken Loan Repaid Interest on Loan Taken	51.56 12.00 45.00 45.00 0.23	41.25 6.10 - - -
		153.79	47.35
Radhakrishnan Ramachandra Iyer	Directors sitting fees	19.50	13.13
		19.50	13.13
Vijay Jasuja	Directors sitting fees	20.25	12.75
		20.25	12.75
Vijay Ronjan	Directors sitting fees	19.50	12.75
		19.50	12.75
Sonia Rakesh Thakur	Managerial remuneration Reimbursement of Expenses	- -	19.43 0.04
		-	19.48
Ashish Singh	Managerial remuneration	9.29	-
		9.29	-
Simarjeet Singh	Managerial remuneration	3.20	-
		3.20	-
Pankaj Kumar	Managerial remuneration	30.85	15.41
		30.85	15.41



SA



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)

3. Balance outstanding at year end for related parties other than Key Management Personnel

Particulars	Nature of transaction	As at March 31, 2025	As at March 31, 2024
Morus Technologies Pte Ltd	Foreign Loan received from Holding Company (ECB)*	55,028.84	38,288.25
	Interest Payable on Foreign Loan	409.94	224.10
	Excess TDS Deduction to be settled with Morus	474.19	-
	Equity Capital	31,599.39	31,599.39
	Share Premium Balance	15,095.27	15,095.27
	Commission on Corporate Guarantee Payable	338.98	-
EQX Analytics Private Limited	Lead Generation Expenses Payable	155.75	493.71
	Commission on Corporate Guarantee Payable	765.72	-
	Customer collections received on behalf of EQX Analytics Private Limited	77.00	-
Titanium Fortune Financial Services Private Limited	Loan Payable	-	-
	Interest on loan payable	-	-
Vishuv Invest Private Limited	Loan Payable	-	-
	Interest on loan payable	-	-

* The balance of ECB as on 31 March, 2025 includes revaluation reserve of Rs. 2,135.77 Lakhs (31st March, 2024 -Rs. 787.52 Lakhs)

4. Balance outstanding at year end for Key Management Personnel

Particulars	Nature of transaction	As at March 31, 2025	As at March 31, 2024
Radhakrishnan Ramachandra Iyer	Directors sitting fees	1.01	-
Vijay Jasuja	Directors sitting fees	1.01	-
Vijay Rorjian	Directors sitting fees	1.69	-
	Directors sitting fees	1.69	-
	Directors sitting fees	1.69	-
Sonia Rakesh Thakur	Managerial remuneration	-	1.05
	Reimbursement of Expenses	-	0.01
		-	1.06
Shruti Aggarwal	Managerial remuneration	3.05	2.49
		3.05	2.49
Simarjeet Singh	Managerial remuneration	1.57	-
		1.57	-
Pankaj Kumar	Managerial remuneration	3.04	1.56
		3.04	1.56



SA

h



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)

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

b) The carrying amounts of right-to-use assets recognized and the movements during the period are as follows:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	12.86	-
Additions made during the year	14.18	19.29
Depreciation charge for the year	(7.02)	(6.43)
Deletion made during the year	-	-
Balance at the end of the year	20.02	12.86

c) The carrying amounts of lease liabilities and the movements during the period are as follows:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	13.73	-
Additions made during the year	14.18	19.29
Interest accretion for the year	1.85	2.35
Payments made during the year	8.69	7.91
Deletion made during the year	-	-
Balance at the end of the year	21.07	13.73

d) The following are the amounts recognized in profit and loss :

Particulars	March 31, 2025	March 31, 2024
Depreciation expense in respect of right-to-use asset	7.02	6.43
Interest expense in respect of lease liabilities	1.85	2.35
Expense relating to short-term leases (included on other	6.21	-
Amount relating to equalization reserve	-	-
Total amount recognized in profit or loss	15.08	8.78

e) Maturity Analysis of Lease Liability

Tenure	As at March 31, 2025	As at March 31, 2024
<1 Year	10.25	6.39
1-2 Years	3.34	7.34
2-3 Years	3.84	-
3-4 Years	3.64	-
Total	21.07	13.73

-Space intentionally left blank-



DA

h

h



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)

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, 2025			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount	127,802.43	28,946.75	7,477.81	164,226.99
Less: Impairment Loss Allowance *	911.13	4,142.73	4,871.83	9,925.69
Net Carrying Amount	126,891.30	24,804.01	2,605.98	154,301.30

Particulars	March 31, 2024			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross Carrying Amount	122,947.61	16,858.28	7,322.87	147,128.75
Less: Impairment Loss Allowance *	2,479.98	3,194.99	4,074.81	9,749.78
Net Carrying Amount	120,467.63	13,663.28	3,248.06	137,378.97

**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, 2025			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at April 01, 2024	122,947.60	16,858.29	7,322.87	147,128.75
New asset originated or purchased	315,534.76			315,534.76
Assets derecognised or repaid (excluding write offs)	(251,889.53)	(13,056.24)	(1,914.10)	(266,859.87)
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	127,802.43	28,946.75	7,477.81	164,226.99

Particulars	March 31, 2024			
	Loan Books			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at April 01, 2023	93,903.90	8,722.92	9,767.43	112,394.25
New asset originated or purchased	408,438.42	-	-	408,438.42
Assets derecognised or repaid (excluding write offs)	(308,328.94)	(13,616.61)	(22,311.50)	(344,257.05)
Transfers from Stage 1	(71,065.78)	71,065.78	-	-
Transfers from Stage 2	-	(49,313.81)	49,313.81	-
Transfers from Stage 3	-	-	-	-
Amounts written off	-	-	(29,446.87)	(29,446.87)
Gross carrying amount as at March 31,2024	122,947.60	16,858.29	7,322.87	147,128.75



Handwritten signature

Handwritten signature



Handwritten signature

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)

38.1.3 Impairment allowance for loans to customers

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

Particulars	March 31, 2024			
	Impairment allowance			
	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 01, 2023	1,183.00	2,056.94	1,505.49	4,745.43
				-
ECL remeasurement due to changes in EAD/ Credit Risk/ Assumptions (Net)	131.93	1,237.70	3,634.72	5,004.36
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	1,062.42	(1,062.42)	-	-
Transfers from Stage 3	102.63	962.77	(1,065.40)	-
Impairment allowance for loans to customers as at March 31, 2024	2,479.98	3,194.99	4,074.81	9,749.78

-Space intentionally left blank-



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)

39 Analytical Ratios :

Particulars	As at March 31, 2025	As at March 31, 2024	% variance	Reason for Variance (If above 25%)
1. CRAR (Excluding Off-Balance Sheet Items*)				
a) Capital to risk weighted assets ratio (CRAR)	31.18%	29.98%	4.01%	N/A
b) Tier I CRAR Tier-I Capital	29.93%	28.73%	4.19%	N/A
c) Tier II CRAR Tier II Capital	1.25%	1.25%	0.00%	N/A
2. CRAR (Including Off-Balance Sheet Items*)				
a) Capital to risk weighted assets ratio (CRAR)	31.09%	29.79%	4.37%	N/A
b) Tier I CRAR Tier-I Capital	29.84%	28.54%	4.58%	N/A
c) Tier II CRAR Tier II Capital	1.25%	1.25%	-0.31%	N/A
3. Liquidity Coverage Ratio (LCR)				
	N/A	N/A	N/A	N/A

Notes

- *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
- Total risk-weighted assets represents the weighted average of funded and non-funded items after applying the risk weights as assigned by the RBI.
Tier I capital means owned funds as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances, including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund.
Tier II capital includes Preference 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 debts 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.
- 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 89 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Updated as on May 05, 2025).



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)

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

-Space intentionally left blank-



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)

Financial instrument by category
As at 31.03.2025

Particulars	Amortized Cost	At Cost	Through OCI	At Fair Value 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	163,645.30	163,645.30	-	-	163,645.30
Investments	-	-	-	-	-
Derivative Financial Instruments	397.12	397.12	-	397.12	397.12
Other financial assets	2,112.05	2,112.05	-	-	2,112.05
Total Financial Assets	179,700.16	179,303.04	-	397.12	179,700.16
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	31,386.95	31,386.95	-	-	31,386.95
Borrowings (other than Debt Securities)	75,623.89	75,623.89	-	-	75,623.89
Other financial liabilities	1,192.97	1,192.97	-	-	1,192.97
Total Financial Liabilities	110,748.96	110,748.96	-	-	110,748.96



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)

As at 31.03.2024

Particulars	Amortized Cost	At Cost	Through OCI	At Fair Value Through P&L	Total
Financial Assets					
Cash and Cash Equivalents	2,116.15	-	-	-	2,116.15
Bank balances other than above	1,670.11	-	-	-	1,670.11
Trade Receivables	664.09	-	-	-	664.09
Loans	142,052.21	-	-	-	142,052.21
Investments	-	-	-	-	-
Other financial assets	2,957.89	-	-	-	2,957.89
Total Financial Assets	149,460.44	-	-	-	149,460.44
Financial Liabilities					
Derivative financial instruments	-	-	-	86.11	86.11
Trade Payables	-	-	-	-	-
(I) Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	70.51	-	-	-	70.51
(ii) total outstanding dues of creditors other than micro enterprises and	1,057.77	-	-	-	1,057.77
(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	17,390.17	-	-	-	17,390.17
Borrowings (Other than debt securities)	70,132.31	-	-	-	70,132.31
Other financial liabilities	1,453.05	-	-	-	1,453.05
Total Financial Liabilities	90,103.82	-	-	86.11	90,189.93



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)

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.

-Space intentionally left blank-



Handwritten signature in blue ink, appearing to be "DA".

Handwritten signature in blue ink, appearing to be "pm".

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)

Particulars	Level	As at March 31, 2025		As at March 31, 2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Derivative Financial Instruments	2	397.12	397.12	-	-
Loans	3	163,645.30	163,645.30	142,052.21	142,052.21
Investments	3	-	-	-	-
Other financial assets	3	2,112.05	2,112.05	2,957.89	2,957.89
Total financial assets		165,757.33	165,757.33	145,010.09	145,010.09
Financial liabilities					
Derivative financial instruments	2			86.11	86.11
Debt Securities	3	31,386.95	31,386.95	17,390.17	17,390.17
Borrowings (Other than debt securities)	3	75,623.89	75,623.89	70,132.31	70,132.31
Other financial liabilities	3	1,192.97	1,192.97	1,453.05	1,453.05
Total financial liabilities		108,203.81	108,203.81	89,061.65	89,061.65

-Space intentionally left blank-



HA

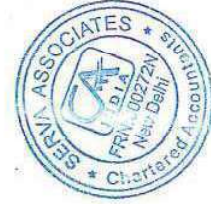
HA

HA

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)

41 Maturity analysis of Assets and Liabilities:

Particulars	As at March 31, 2025		Total	As at March 31, 2024	
	Within 12 months	After 12 months		Within 12 months	After 12 months
ASSETS					
Financial assets					
Cash and cash equivalents	2,922.43	-	2,922.43	2,116.15	2,116.15
Bank balances other than cash and cash equivalents	7,630.31	685.04	8,315.35	1,670.11	1,670.11
Derivative Financial Instruments	397.12	-	397.12		
Receivable					
-Trade Receivable	-	-	-		
-Other Receivables	2,307.92	-	2,307.92	664.09	664.09
Loans	117,732.69	45,912.61	163,645.30	109,630.83	142,052.21
Investments	-	-	-		
Other financial assets	39.96	2,072.09	2,112.05	73.71	2,884.18
Non- financial assets					
Current tax assets (net)	-	-	-		
Deferred tax assets (net)	-	2,384.97	2,384.97		2,609.29
Fixed Assets	-	21.19	21.19		12.86
Intangible assets under development	-	19.39	19.39		12.50
Other Intangible Assets	-	590.66	590.66		872.15
Other non- financial assets	489.15	-	489.15	79.20	79.20
TOTAL ASSETS	131,519.57	51,685.94	183,205.51	114,234.09	38,812.36
					153,046.45



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)

Particulars	As at March 31, 2025		Total	As at March 31, 2024		Total
	Within 12 months	After 12 months		Within 12 months	After 12 months	
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative Financial Instruments	-	-	-	86.11	-	86.11
Payables						
(i) Trade Payables	-	-	-	-	-	-
(ii) total outstanding dues of micro enterprises and small enterprises	393.62	-	393.62	70.51	-	70.51
(iii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,151.53	-	2,151.53	1,057.77	-	1,057.77
Debt Securities	17,226.13	14,160.82	31,386.95	17,390.17	-	17,390.17
Borrowings (other than Debt Securities)	41,858.98	33,764.91	75,623.89	30,688.84	39,443.47	70,132.31
Other financial liabilities	1,192.97	-	1,192.97	1,446.57	-	1,446.57
Non financial liabilities						
Provisions	736.37	79.60	815.97	507.84	44.99	552.83
Deferred tax liabilities (net)	-	-	-	-	-	-
Other Non-financial liabilities	-	-	-	-	-	-
Current tax liabilities (net)	2,381.91	-	2,381.91	3,033.32	-	3,033.32
Total Liabilities	65,941.50	48,005.33	113,946.84	54,281.13	39,488.46	93,769.59
Equity						
Equity share capital	-	31,599.40	31,599.40	-	31,599.40	31,599.40
Other equity	-	37,659.27	37,659.27	-	27,677.45	27,677.45
Net Assets	65,578.06	3,680.61	69,258.67	59,952.95	(676.10)	59,276.85

*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, 2025
(All amount in Rs. in Lakhs, unless stated otherwise)

42 Expenditure in Foreign Currency

Particulars	March 31, 2025	March 31, 2024
Expenditure in Foreign Currency	4,855.59	2,632.42

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 last year accounted for in current year 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). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

"No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party With regard to the new amendments under "Division III of Schedule III" under "Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" :-

(i) The Company 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, 2025 and year ended March 31, 2024.

(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, 2025 and March 31, 2024. All satisfaction of charge forms were filed on time, except for sixteen matured loan facilities totaling Rs. 25,800 lakh for the year ended March 31, 2025, and two matured loan facilities totaling Rs. 9,900 lakh for the year ended March 31, 2024, 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, 2025 and March 31, 2024.

(iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender during the year ended March 31, 2025 and March 31, 2024.

(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 2025 and 31 March 2024, 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 2025 and 31 March 2024.

(vi) The company possess intangible assets under development amounting to Rs. 19.39 Lakhs (March 31, 2024: Rs. 12.50 Lakhs) as disclosed in note no 10(b).

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



Signature of the representative of Akara Capital Advisors Private Limited.



Signature of the representative of Akara Capital Advisors Private Limited.

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)

- 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 2025 and 31st March 2024.
- 47 The company does not own any immovable property as on 31st March 2025 and 31st March 2024. Further, all the lease agreements are duly executed in favor of the company for building and office premises where the company is the Lessee.
- 48 **Compliance with Number of Layers of The Company :**
The company has complied with the numbers of layers prescribed under clause 87 of Section 2 of the Act read with Companies(Restriction on number of Layers)Rules,2017.
- 49 The Company has availed loans from banks and financial institutions on the basis of security of current assets/book debts during the year ended 31 March 2025 and 31 March 2024. Quarterly submissions of book debts of the value of assets hypothecated are submitted with the banks and financial institutions, with this respect.

-Space intentionally left blank-



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)

50 Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (Updated as on May 05, 2025)

A. Resolution plans implemented by the Company

Year Ended	Number of Borrower	Principal Outstanding at Year End	Impairment allowance as per ECL
March 31, 2025		NIL	
March 31, 2024		NIL	

B. Capital

Particulars	As at March 31, 2025	As at March 31, 2024
CRAR%	31.18%	29.98%
CRAR- Tier I Capital (%)	29.93%	28.73%
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, 2025	As at March 31, 2024
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, 2025	As at March 31, 2024
(i) The notional principal of swap agreements	8,319.50	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	(86.11)

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, 2025, the company has entered into USD Call INR Put Option Contracts with respect to ECB Tranches and during the year ended 31.03.2024, the company had entered into USD-INR Cross Currency Interest Rate Swap contract (which is still active) 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, 2025		As at March 31, 2024	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount) For Hedging (USD Absolute)	54,552,625.00	-	10,000,000.00	-
Value (Rs in Lakhs)	48,402.65		8,319.50	
(ii) Marked to Market Positions				
(a) Assets (+)	397.12	-	-	-
(b) Liability (-)	-	-	(86.11)	-
(iii) Credit Exposure	-	-	-	-
(iv) Unhedged Exposures	8,558.14	-	29,968.75	-



[Handwritten signature]

[Handwritten signature]



[Handwritten signature]

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	Total
Deposits	107.03	-	-	168.21	222.22	1,312.18	5,821.67	685.04	-	8,316.35
Advances*	24,605.42	691.85	6,269.28	9,858.71	10,920.71	29,283.56	46,683.12	45,842.06	70.55	174,225.26
Investments	-	-	-	-	-	-	-	-	-	-
Borrowings	1,991.39	191.67	845.60	2,598.58	3,124.44	6,898.18	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.

Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)- as on 31st March 2024

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Total
Deposits	-	-	1,657.91	-	-	-	353.31	-	-	2,011.22
Advances*	21,535.91	1,905.63	5,274.33	13,020.74	11,801.43	29,404.49	36,869.27	32,360.89	52.49	152,293.18
Investments	-	-	-	-	-	-	-	-	-	-
Borrowings	1,520.21	1,062.36	4,923.67	8,493.03	7,009.29	13,265.97	11,804.48	1,155.10	-	49,294.11
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	-	-	38,288.37	-	38,288.37

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

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

F. Exposures

F.1 Exposure to Real Estate Sector

Category	As at 31st March, 2025	As at 31st March, 2024
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.	10.00	-
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	10.00	-

-Space Intentionally left blank-



SA

SA

SA

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)

F.2 Exposure to Capital Market

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

Particulars	As at 31st March, 2025	As at 31st March, 2024
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 equity oriented mutual funds	-	-
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	43.81	-
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.	-	-
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	43.81	-

F.3 Sectoral Exposure

Sectors	Year Ended March 31, 2025			Year Ended March 31, 2024		
	Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakhs)	Gross NPAs (₹ Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Exposure (includes on balance sheet and off-balance sheet exposure) (₹ 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	-	-	-	-	-	-
Total of Personal Loans (Others)	172,901.43	7,477.81	4.32%	183,994.83	7,322.87	3.98%
5. Others, if any (please specify)	172,901.43	7,477.81	4.32%	183,994.83	7,322.87	3.98%

F.4 Intra-group exposures

Following are the disclosures pertaining to intra group exposures:-

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers /customers	-	-

F.5 Unhedged foreign currency exposure

Refer Note 50(D.3)(ii) to the Financial Statements

-Space intentionally left blank-



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)

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, 2025

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

Tier I capital / Owned Funds as on March 31, 2025 is 63,096.85 Lakhs

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

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

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

List of 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 63,096.85 Lakhs

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

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

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

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	335800POAHY3ASTR7U55
4	Financial Intelligence Unit, Ministry of Finance, Government of India (FINnet Gateway)	FIUREID	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, 2025	Year ended March 31, 2024
1. Advisory issued under Reserve Bank – Integrated Ombudsman Scheme, 2021	6.09	0.75
2. Total Debt SOP Fines imposed by SEBI during the year	1.49	1.13
Total Fines and Penalties	7.58	1.89



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)

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, 2025	Year ended March 31, 2024
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, 2025	Year ended March 31, 2024
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	1	-
3	Number of complaints disposed during the year	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 2025	31st March 2024
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	312	93
2	Number of complaints received during the year	10,342	16,735
3	Number of complaints disposed during the year	10,507	16,516
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	147	312
Maintainable complaints received by the NBFC from Office of Ombudsman			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	539	429
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	525	421
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	14	8
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Notes:

- All the complaints pending as at March 31, 2025, were resolved subsequently.
- 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.
- 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, 2025
(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 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
31st March 2024					
Loan and Advances	44	13,221	% Decrease 33.55%	247	11
Difficulty in operation of accounts	49	3,514	% Decrease 12%	65	4
TOTAL	93	16,735		312	15

* 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, 2025	Year ended March 31, 2024	Rating Action
Non-convertible debentures	ICRA	37,650	67,000	[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	India Ratings and Research	20,000	20,000	IND BBB/Stable; Affirmed
	ICRA	-	12,500	[ICRA]BBB (Stable); reaffirmed
Long-term fund based – Others	ICRA	20,000	-	[ICRA]BBB (Stable); reaffirmed/ assigned for the enhanced amount
	ICRA	1,500	1,500	[ICRA]BBB+(CE) (Stable); reaffirmed
Long-term fund-based term loan	ICRA	-	8,000	[ICRA]A3+; reaffirmed
	CARE	10,000	-	CARE A3+; Assigned
Commercial paper	India Ratings and Research	5,000	5,000	IND BBB/Stable; Affirmed
	CARE	10,000	-	CARE BBB; Stable / CARE A3+; Assigned

*For ICRA: The ratings are based on rating reports as on 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 March 13 2025.

*For CARE: The ratings are based on rating report as on April 26 2025.



BA

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)

L Concentration of Deposits, Advances, Exposures and NPAs

L.1 Concentration of Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total Advances to twenty largest borrowers/Customers	90.41	98.69
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.06%	0.07%

L.2 Concentration of Exposures

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers/customers	328.77	170.34
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.20%	0.12%

L.3 Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to top four NPA accounts*	25.98	30.44

*NPA accounts represent Stage 3 loan exposures assessed at the consolidated customer level.

L.4 Sector-wise NPAs

Period	As at March 31, 2025		As at March 31, 2024	
Sector	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	7,477.81	4.55%	7,322.87	4.98%



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)

L.5 Movement of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Net NPAs to Net Advances (%)	1.64%	2.27%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	7,322.87	9,767.43
(b) Additions during the year	31,731.59	33,787.97
(c) Reductions during the year	31,576.65	36,232.53
(d) Closing balance	7,477.81	7,322.87
(iii) Movement of Net NPAs		
(a) Opening balance	3,248.06	8,261.94
(b) Additions during the year	30,934.58	31,218.65
(c) Reductions during the year	31,576.65	36,232.53
(d) Closing balance	2,605.98	3,248.05
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	4,074.81	1,505.49
(b) Provisions made during the year	797.02	2,569.32
(c) Write-off/write-back of excess provisions	-	-
(d) Closing balance	4,871.83	4,074.81

-Space intentionally left blank-

ATA



[Signature]



[Signature]

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)

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, 2025	16	82,365.62	NA	72.28%
As at March 31, 2024	17	74,075.36	NA	79.00%

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, 2025

Sr No.	Number of Significant Counter Parties*	Amount (in INR Lakhs)	% of Total Borrowings
1	10	77,408.06	71.35%

As at March 31, 2024

Sr No.	Number of Significant Counter Parties*	Amount (in INR Lakhs)	% of Total Borrowings
1	10	65,672.02	75.05%

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, 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	108,483.74	

As at March 31, 2024

Sr No.	Name of the instrument/product	Amount (₹ lakhs)	% of Total Liabilities
1	ECB	38,288.25	40.83%
2	Term Loan Other	25,478.42	27.17%
3	Non-Convertible Debentures	17,469.92	18.63%
4	Term Loan Bank	2,917.65	3.11%
5	Commercial Paper	2,000.00	2.13%
6	ICD	1,348.46	1.44%
	Total	87,502.70	



Handwritten signature

Handwritten signature



Handwritten signature

(v) Stock Ratios:

Particulars	As at March 31, 2025	As at March 31, 2024
Total Borrowings (Public Funds)	108,483.74	87,502.70
Total Liabilities	113,946.84	93,769.59
Total assets	183,205.51	153,046.43

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

Particulars	As at March 31, 2025	As at March 31, 2024
% on Total Borrowing (Public Funds)	0.48%	2.29%
% on Total Liability	0.46%	2.13%
% on Total Assets	0.29%	1.31%

(b) Non-convertible debentures (original maturity of less than one year) as a percent of total public funds, total liabilities and total assets

Particulars	As at March 31, 2025	As at March 31, 2024
% 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

Particulars	As at March 31, 2025	As at March 31, 2024
Short term liability	18,042.34	16,383.10
% on Total Borrowing (Public Funds)	16.63%	18.72%
% on Total Liability	15.83%	17.47%
% on Total Assets	9.85%	10.70%

(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.

-Space intentionally left blank-



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)

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, 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 Stage 2	127,802.43 28,946.75	911.13 4,142.73	126,891.30 24,804.02	511.21 115.79	399.92 4,026.95
Subtotal for Performing Assets		156,749.18	5,053.86	151,695.32	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	Stage 3	-	-	-	-	-
Subtotal for NPA		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 Stage 2 Stage 3 Total	127,802.43 28,946.75 7,477.81 164,226.99	911.13 4,142.73 4,871.83 9,925.69	126,891.30 24,804.02 2,605.98 154,301.30	511.21 115.79 747.78 1,374.78	399.92 4,026.95 4,124.05 8,550.91

-Space intentionally left blank-



SA

h

fu

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)

For the year ended March 31, 2024

Asset Classification as per norms of the Reserve Bank	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7 = 4-6
Performing Assets						
Standard	Stage 1	122,947.61	2,479.98	120,467.63	491.79	1,988.19
	Stage 2	16,858.28	3,194.99	13,663.29	67.43	3,127.56
Subtotal for Performing Assets		139,805.88	5,674.97	134,130.91	559.22	5,115.75
Non-Performing Assets (NPA)						
Substandard	Stage 3	7,322.87	4,074.81	3,248.06	732.29	3,342.53
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		7,322.87	4,074.81	3,248.06	732.29	3,342.53
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal For Other Items		-	-	-	-	-
Total	Stage 1	122,947.61	2,479.98	120,467.63	491.79	1,988.19
	Stage 2	16,858.28	3,194.99	13,663.29	67.43	3,127.56
	Stage 3	7,322.87	4,074.81	3,248.06	732.29	3,342.53
	Total	147,128.75	9,749.78	137,378.97	1,291.51	8,458.27

-Space intentionally left blank-



JA

h

pr

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)

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

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
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, 2025 : Nil (March 31, 2024 : 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 – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021 as The Information on securitisation of the Company as an originator is given below:

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator	3	-
2	Total amount of securitised assets as per books of the SPEs	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	277.59	-
	• Others	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	166.07	-
	ii) Exposure to third party securitisations		
	• First loss		-
	• Others		-
5	Sale consideration received for the securitised assets	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	969.32	-
	(b) Repayment received	-	-
	(c) Outstanding amount	969.32	-
8	Average default rate of portfolios observed in the past.		
	-Personal Loans	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	-	-



Handwritten signature

Handwritten signature



Handwritten signature

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)

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 borrowing; 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 -The 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.



Alakra 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)

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 formalized 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.



Alara 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)

The Company's Principal financial liabilities 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 standardized credit approval process, including customer selection criteria, comprehensive credit risk assessment, and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the 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. 1,64,173.18 Lakhs and Rs. 1,47,128.75 Lakhs as of 31 March 2025 and 31st March 2024 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 financial liabilities as at 31 March 2025 and 31 March 2024, refer Note 50(E).



Contractual expiry of commitments

The table below shows the contractual expiry by maturity of the Company's commitments As at March 31, 2025

Particulars	On Demand*	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Undrawn committed credit lines	261,285.33	-	-	-	-	261,285.33

As at March 31, 2024

Particulars	On Demand**	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Undrawn committed credit lines	91,562.73	-	-	-	-	91,562.73

* 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, 2025	As at March 31, 2024
Fixed rate		
Expiring within one year (Loan from Financial Institutions)	-	-
Expiring beyond one year (Loan from Financial Institutions)	500.00	3,500.00

(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, 2025		As at March 31, 2024		Non Traded Risk	Traded Risk	Non Traded Risk
	Carrying amount		Carrying amount				
Financial Assets							
Cash and Cash Equivalents	2,922.43	-	2,922.43	-	2,116.15	-	2,116.15
Bank balances other than above	8,315.35	-	8,315.35	-	1,670.11	-	1,670.11
Trade Receivables	2,307.92	-	2,307.92	-	664.09	-	664.09
Loans	163,645.30	-	163,645.30	-	142,052.21	-	142,052.21
Investments	-	-	-	-	-	-	-
Derivative financial instruments	397.12	397.12	-	-	-	-	-
Other financial assets	2,112.05	-	2,112.05	-	2,957.89	-	2,957.89
Total financial assets	175,700.16	397.12	179,303.04	149,460.44			149,460.44
Financial Liabilities							
Derivative financial instruments	-	-	-	-	86.11	86.11	-
Trade payables	2,545.15	-	2,545.15	-	1,128.28	-	1,128.28
Debt securities	31,386.95	-	31,386.95	-	17,390.17	-	17,390.17
Borrowings (Other than debt securities)	75,623.89	-	75,623.89	-	70,132.31	-	70,132.31
Other financial liabilities	1,192.97	-	1,192.97	-	1,453.05	-	1,453.05
Total financial liabilities	110,748.96	-	110,748.96	90,189.93	86.11	86.11	90,103.82

JA



Signature



Signature

Alara 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)

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 2025	Effect on Profit before tax As at March 2024
Borrowings			
Increase in basis points	100	(130.89)	(152.40)
Decrease in basis points	-100	130.89	152.40

B. Foreign currency risk:-

The Company has foreign exchange exposure in the form of borrowings from overseas lending agencies as part of its resources raising strategy. Large cross border flows together with the volatility may render company's Balance Sheet vulnerable to exchange rate movements. As per its Board approved policy, company mitigates the foreign exchange risk through Forward Rate Contract (derivatives transactions) of one of the tranches of Foreign Loan.

Foreign currency risk exposure:

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

Particulars	As at March 31st, 2025	As at March 31st, 2024
	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)	190.86	-
Financial liabilities		
Borrowings in Foreign currency	52,893.07	37,500.73
Derivative liabilities		
Gross Currency Interest Rate Swaps	-	86.11
Net exposure to foreign currency risk (Assets) / Liabilities	52,495.95	37,586.84

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, 2025	As at March 31, 2024
	Decrease	Increase
USD Sensitivity	235.86	131.62
Impact on Statement of Profit and Loss	(235.86)	(131.62)

*Holding all other variables constant



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)

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, 2025		As at March 31, 2024	
		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 2025 and 31st March 2024 is nil. Interest on such loan during the year ending March 31, 2025 amounting to Rs. Nil (March 31, 2024 - 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 28-05-2025

65 There were no whistle blower complaints received by the Company during the financial years ended March 31, 2025 and March 31, 2024.

66 The Company had no discontinuing operations during the financial years ended March 31, 2025 and March 31, 2024.

67 There have been no instances for fraud committed against the company by employees, customers or third parties during the year ended 31st March, 2025 and 31st March, 2024.

68 The Company has not participated in currency futures during the year ended March 31, 2025 and March 31, 2024.

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: 28-05-2025



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: 28-05-2025

Shruti Aggarwal
(Shruti Aggarwal)
(Director)
DIN: 06867269
Place: New Delhi
Date: 28-05-2025

Simarjeet Singh
(Company Secretary)
Membership No: F11779
Place: New Delhi
Date: 28-05-2025

Pankaj Kumar
(Chief Financial Officer)
Place: New Delhi
Date: 28-05-2025



Ex