S. Bhandari & Co.
Chartered Accountants

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Independent Auditors' Review Report on the unaudited quarterly and year-to-date Standalone Financial Results of A. K. Capital Finance Limited, pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
A. K. Capital Finance Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of A. K. Capital Finance Limited ("the Company") for the quarter and nine months ended 31 December 2021 ("the Statement"), attached herewith being submitted by the Company pursuant to the requirements of Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended (the "Listing Regulations").

2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 ("the Act") as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by The Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S. BHANDARI & CO. JAIPUR Chartered Accountants

5. We draw attention to Note 7 of the Statement with respect to the management's evaluation of COVID-19 pandemic impact on the future performance of the Company. This assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods. Our conclusion is not modified in respect of this matter.

6. We draw attention to the fact that the figures reported in the Statement:

   i. for the quarter ended 31 December 2021, are the balancing figure between unaudited nine months standalone figures upto 31 December 2021, which were subject to limited review by us and the unaudited six monthly standalone figures upto 30 September 2021, which were subject to limited review by M/s Suresh Surana & Associates LLP and for the quarter ended 31 December 2020 the balancing figure between unaudited nine months standalone figures upto 31 December 2020 and 30 September 2020, respectively, which were subject to limited review by M/s Suresh Surana & Associates LLP and which were solely prepared for the purpose of facilitating the preparation of unaudited consolidated financial results of A. K. Capital Services Limited (Holding Company) and approved by the Board of Directors of the Company; and

   ii. for the quarter ended 30 September 2021, are the balancing figure between unaudited six months standalone figures upto 30 September 2021, which were subject to limited review by M/s Suresh Surana & Associates LLP and quarter ended 30 June 2021 which were subject to limited review by M/s Suresh Surana & Associates LLP and which were solely prepared for the purpose of facilitating the preparation of unaudited consolidated financial results of A. K. Capital Services Limited (Holding Company) and approved by the Board of Directors of the Company.

For S. Bhandari & Co.
Chartered Accountants
Firm's Registration No.000560C

RUPAL KUMBHAT

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Rupal Kumbhat
Partner
Membership No.: 401084
UDIN.: 22401084AAAAAH2194

Place: Jaipur
Date: 29 January 2022

A. K. Capital Finance Limited

Registered and Corporate Address : 601-602, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East) ,Mumbai – 400 098.
Tel No. : 91 (022) 6754 6500; Fax : 91 (022) 6610 0594; Email : cs@akgroup.co.in, Website : www.akgroup.co.in
CIN : U51900MH2006PLC214277

PART I - STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

(Rs. in Lakhs except per share data)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		Unaudited	Unaudited	Unaudited (Refer Note 4)	Unaudited	Unaudited	Audited
1	**Revenue from operations**						
	Interest income	3,530.86	3,326.23	2,980.16	10,317.66	8,638.64	11,660.01
	Fees and commission income	177.25	383.55	-	560.80	-	54.00
	Net gain on fair value changes	1,109.92	1,295.86	2,101.64	3,295.32	4,483.16	5,923.96
	Net gain on derecognition of financial instruments under amortised cost	54.09	110.11	370.74	480.98	512.02	561.00
	Rental income	12.36	18.71	9.57	35.70	30.54	44.44
	Total revenue from operations	**4,884.48**	**5,134.46**	**5,462.11**	**14,690.46**	**13,664.36**	**18,243.41**
2	Other income	-	-	-	15.45	3.62	3.62
	Total income (1+2)	**4,884.48**	**5,134.46**	**5,462.11**	**14,705.91**	**13,667.98**	**18,247.03**
3	**Expenses**						
	Finance costs	2,009.03	1,974.53	1,943.30	6,046.70	5,534.76	7,490.37
	Fees and commission expense	399.64	340.71	450.03	1,111.80	1,029.36	1,285.35
	Impairment of financial instruments (net)	(11.78)	(47.03)	(6.36)	(604.67)	335.67	382.79
	Employee benefits expense	534.86	629.69	352.06	1,782.48	964.66	1,721.89
	Depreciation and amortization	56.06	41.47	55.76	148.71	167.08	222.91
	Other expenses	228.65	201.60	102.64	585.95	259.91	585.74
	Total expenses	**3,216.46**	**3,140.97**	**2,897.43**	**9,070.97**	**8,291.44**	**11,689.05**
4	**Profit before tax (1+2-3)**	**1,668.02**	**1,993.49**	**2,564.68**	**5,634.94**	**5,376.54**	**6,557.98**
5	**Tax expense**						
	Current tax	335.00	415.00	350.00	1,200.00	1,210.00	1,474.00
	Deferred tax expense/ (credit)	98.00	27.25	196.43	117.18	42.22	33.94
6	**Profit for the year/ period (4-5)**	**1,235.02**	**1,551.24**	**2,018.25**	**4,317.76**	**4,124.32**	**5,050.04**
7	**Other comprehensive income for the year/ period**						
	Item that will not to be reclassified to the statement of profit and loss	15.04	(9.66)	1.29	6.45	(5.72)	(25.20)
	Less: Income tax expense on above	(3.78)	2.43	(0.32)	(1.62)	1.44	6.34
8	**Total comprehensive income for the year/ period (6+7)**	**1,246.28**	**1,544.01**	**2,019.22**	**4,322.59**	**4,120.04**	**5,031.18**
9	**Paid-up share capital**						
	Equity share capital (Face value of Rs. 10 per share)	2,329.38	2,329.38	2,329.38	2,329.38	2,329.38	2,329.38
	Compulsorily convertible preference shares (Face value of Rs. 100 per share)	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00
10	**Other equity (excluding revaluation reserves)**						52,470.12
11	**Earning per share (of Rs. 10 each) (not annualised) :**						
	Basic (in Rs.)	4.65	5.84	7.60	16.27	15.54	19.03
	Diluted (in Rs.)	4.65	5.84	7.60	16.27	15.54	19.03

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Notes :

1 The above unaudited standalone financial results has been reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 29 January 2022 and subjected to limited review by statutory auditors.

2 The unaudited standalone financial results comprises of the statement of profit and loss and notes thereon of A. K. Capital Finance Limited ("the Company") prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognized accounting practices generally accepted in India, in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to circular SEBI/HO/DDHS/CIR/2021/0000000637 dated 5 October 2021.

3 The figures reported in the unaudited standalone financial results for the quarter ended 31 December 2021 are the balancing figures between the unaudited nine monthly standalone figures for the nine months ended 31 December 2021 and the unaudited half yearly standalone figures upto 30 September 2021, which were subject to limited review by the Statutory Auditors.

4 The figures reported in the unaudited standalone financial results for the quarter ended 31 December 2020 are the balancing figures between the unaudited nine monthly standalone figures for the nine months ended 31 December 2020, which were solely prepared for the purpose of facilitating the preparation of unaudited consolidated financial results of A. K. Capital Services Limited (Holding Company) and the unaudited half yearly standalone figures upto 30 September 2020. and which were subject to limited review by the Statutory Auditors.

5 The Company is engaged primarily in the business of financing and investment activities and accordingly there are no separate reportable segments as per IND AS dealing with Operating Segment (Ind AS-108). The Company operates in a single geographical segment i.e. domestic.

6 For the purpose of calculating earnings per share (basic and diluted), weighted average number of outstanding equity shares includes weighted average number of equity shares to be issued for compulsory convertible preference shares into fixed number of equity shares.

7 The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumption include the extent and duration of the pandemic, the impact of actions of government and other authorities and the responses of business and consumers in different industries, along with the associated impact on the global economy. The Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID 19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. Taking into consideration the impact arising from the COVID-19 pandemic on the economic environment, the Company has, during the quarter and nine months ended 31 December 2021, continued to undertake a risk assessment of its credit exposure and in addition to the model determined ECL provision. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. The management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company and suitable effect will be given in the respective future period.

8 Disclosures as required by RBI Notification No. RBI/2020-21/16DOR.No.BP.BC/3/21.04.048/2020-21dated 6 August 2020 "Resolution Framework for COVID-19-related Stress" (the Notification) are given as under;

Rs. in Lakhs

Type of borrower	**(A) Number of accounts where resolution plan has been implemented under this window**	**(B) exposure to accounts mentioned at (A) before implementation of the plan**	**(C) Of (B), aggregate amount of debt that was converted into other securities**	**(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation**	**(E) Increase in provisions on account of the implementation of the resolution plan**
Personal Loans	Nil	Nil	Nil	Nil	Nil
Corporate persons					
of which, MSMEs	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil

9 Details of loans transferred / acquired during the quarter ended December 31, 2021 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

Rs. in Lakhs

Particular	**Amount**
Transfer of any non-performing assets (NPAs).	Nil
Transfer of any Special Mention Account (SMA) and loan not in default	Nil
Acquisition of any loans not in default through assignment	Nil
Acquisition of any stressed loan	Nil

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10 Disclosures as required by RBI Notification No. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 "Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses" (the Notification) are given as under;

Rs. in Lakhs

Description	Individual Borrowers		Small Business
	Personal Loan	Business Loan	
Number of requests received for invoking resolution process under Part A	Nil	Nil	1
Number of accounts where resolution plan has been implemented under this window	Nil	Nil	1
Exposure to accounts mentioned at (B) before implementation of the plan	Nil	Nil	700.00
Of (C), aggregate amount of debt that was converted into other securities	Nil	Nil	Nil
Additional funding sanctioned, if any, including between invocation of the plan and implementation	Nil	Nil	Nil
Increase in provisions on account of the implementation of the resolution plan*	Nil	Nil	83.79

*Increase in provision as per Expected Credit Loss (ECL) model

11 Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications, the Company's existing definition of default is in line with the RBI circular i.e. Days Past Due approach and accordingly the same does not have any impact on the financial results for the quarter and nine months ended 31 December 2021.

12 The Indian Parliament has approved the Code on Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial results in the period in which the code becomes effective and related rules are published.

13 Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all rated, listed, secured, redeemable, Non-Convertible Debentures ("Secured NCDs") issued by the Company and outstanding as on December 31, 2021 are fully secured by way of a first charge over the identified "business assets" i.e. securities / receivables of the Company and a Pari-passu charge over the immovable properties of the Company situated at Chennai. Accordingly, the Company is maintaining asset cover of 1x or such higher asset cover required as per the terms of offer document/Information Memorandum.

14 **Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter and the nine months ended 31 December 2021**

Particular	Quarter ended			Nine months ended		Year ended
	31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Debt Equity Ratio	1.51	1.72	1.36	1.51	1.36	2.03
Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
Capital redemption reserve / Debenture redemption reserve (Rs. in lakhs)	-	-	-	-	-	-
Net worth (Total Equity) (Rs. in lakhs)	64,842.09	63,986.88	60,718.42	64,842.09	60,718.42	61,299.50
Total debts to total assets (%)	58.45	61.55	55.93	58.45	55.93	65.57
Net profit margin (%)	25.28	30.21	36.95	29.36	30.18	27.68
Sector specific equivalent ratios						
(a) Gross Stage 3 (%)	-	-	-	-	-	-
(b) Net Stage 3 (%)	-	-	-	-	-	-
(c) Capital to risk-weighted assets ratio (%)	40.76	37.85	45.01	40.76	45.01	36.70

Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital ratio, Bad debts to accounts receivable ratio, Current liability ratio, Debtor turnover, Inventory turnover and Operating margin (%) and Liquidity coverage ratio are not applicable. Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debentures) Rule, 2014.

15 The unaudited standalone financial results are to be filed with BSE limited under Regulation 52 of the SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

16 The unaudited standalone financial results of the Company will be available on our website www.akgroup.co.in

17 The previous period figures have been regrouped/reclassified wherever necessary to conform to current period's presentation.

Place: Mumbai
Date: 29 January 2022

RUPAL KUMBHAT

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For A. K. Capital Finance Limited

ATUL KUMAR MITTAL

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A. K. Mittal
Managing Director
DIN: 00698377

A. K. CAPITAL FINANCE LIMITED MUMBAI