S Bhandari & Co LLP
Chartered Accountants
P-7, Tilak Marg, C-Scheme
Jaipur – 302005, India
T- +91-141-2385412, 2385003
2385329, 4002306
Fax - +91-141-2385241
Website – www.sbhandari.in
Email- auditors@sbhandari.in, rupalkumbhat@sbhandari.co.in,

Independent Auditors' Review Report on the unaudited quarterly 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

To
The Board of Directors
A. K. Capital Finance Limited

Introduction

1. We have reviewed the accompanying Statement of unaudited standalone financial results of A. K. Capital Finance Limited ("the Company") for the quarter ended 30th June 2023 ("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"), the circulars, guidelines and directions issued by Reserve Bank of India ("RBI") from time to time ("RBI guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of 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.



Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For **S. Bhandari & Co.LLP**
Chartered Accountants
Firm's Registration No.: 000560C/C400334

RUPAL KUMBHAT

Digitally signed by RUPAL KUMBHAT
DN: c=IN, postalCode=302019, st=RAJASTHAN, street=K-114/115 ,CLUB HOUSE LANE , JANPATH ,JAIPUR,SHYAM NAGAR , AJMER ROAD, SODALA ,302019, l=JAIPUR, o=Personal, serialNumber=433e8f0892085982 4a3dc84ae71f5636375344ab7d26173e3205c4992bdc864b, pseudonym=1170545f61734069ba0424382bdb0618, 2.5.4.20=c1d75b34c124d5d4303e58f68e954e36039ee04b69892 9dbea3807f8b7ca3422, email=RUPALKUMBHAT@GMAIL.COM, cn=RUPAL KUMBHAT
Date: 2023.07.29 13:43:22 +05'30'

Rupal Kumbhat
Partner
Membership No.: 401084
UDIN.:23401084BGZCAL3110

Place: Jaipur
Date: 29.07.2023

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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2023

(Rs. in Lakhs except per share data)

Sr. No.	Particulars	Quarter ended			Year ended
		30 June 2023	31 March 2023	30 June 2022	31 March 2023
		Unaudited	(Refer Note 3)	Unaudited	Audited
1	**Revenue from operations**				
	Interest income	5,373.34	5,028.21	3,774.08	17,426.99
	Fees and commission income	54.05	274.64	109.50	1,269.65
	Net gain on fair value changes	1,538.94	1,901.73	1,373.28	5,712.71
	Net gain on derecognition of financial instruments under amortised cost category	-	215.42	-	480.78
	Rental income	-	25.27	22.80	98.61
	Total revenue from operations	**6,966.33**	**7,445.27**	**5,279.66**	**24,988.74**
2	Other income	-	-	-	3.08
	Total income (1+2)	**6,966.33**	**7,445.27**	**5,279.66**	**24,991.82**
3	**Expenses**				
	Finance costs	3,375.12	2,991.45	2,123.08	10,149.39
	Fees and commission expenses	289.29	419.16	327.76	1,603.15
	Net loss on derecognition of financial instruments under amortised cost category	7.51	-	99.71	-
	Impairment of financial instruments (net)	34.91	(0.38)	(11.04)	28.36
	Employee benefits expenses	1,044.66	1,126.52	590.41	3,580.66
	Depreciation and amortization expense	87.49	87.56	74.77	334.12
	Other expenses	237.89	501.44	255.64	1,279.79
	Total expenses	**5,076.87**	**5,125.75**	**3,460.33**	**16,975.47**
4	**Profit before exceptional items and tax (1+2-3)**	**1,889.46**	**2,319.52**	**1,819.33**	**8,016.35**
5	Exceptional items	-	-	-	-
6	**Profit before tax (4+5)**	**1,889.46**	**2,319.52**	**1,819.33**	**8,016.35**
7	**Tax expense**				
	Current tax	490.00	413.00	446.00	1,948.00
	Prior period tax adjustments	-	0.33	-	(11.35)
	Deferred tax expense/ (credit)	(23.23)	89.04	2.52	8.65
8	**Profit for the year/ period (6-7)**	**1,422.69**	**1,817.15**	**1,370.81**	**6,071.05**
9	**Other comprehensive income for the year/ period**				
	Item that will not to be reclassified to the statement of profit and loss	5.52	(5.30)	1.76	(37.17)
	Less: Income tax expense on above	(1.38)	1.33	(0.44)	9.35
10	**Total comprehensive income for the year/ period (8+9)**	**1,426.83**	**1,813.18**	**1,372.13**	**6,043.23**
11	**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
	Compulsorily convertible preference shares (Face value of Rs. 100 per share)	6,500.00	6,500.00	6,500.00	6,500.00
12	**Other equity (excluding revaluation reserves)**				62,691.58
13	**Earning per share (of Rs. 10 each) (annualised / not annualised) :**				
	Basic (in Rs.)	5.36	6.85	5.16	22.87
	Diluted (in Rs.)	5.36	6.85	5.16	22.87

S BHANDARI & CO LLP Chartered Accountants

A.K. CAPITAL FINANCE LIMITED MUMBAI

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

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 July 2023 and subjected to limited review by statutory auditors.

2 These 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 the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards), Rules 2015, amended from time to time, and other accounting principles generally accepted in India and in compliance with the format prescribed under Regulation 52 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended.

3 The figures reported in the standalone financial results for the quarter ended 31 March 2023 are the balancing figures between the audited yearly standalone figures for the year ended 31 March 2023 and the unaudited nine monthly standalone figures upto 31 December 2022, which were subject to limited review by the Statutory Auditors.

4 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.

5 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.

6 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" read with 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

Type of borrower	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the previous year end of 31st March 2023 (A)**	**Of (A), aggregate debt that slipped into NPA during the current quarter**	**Of (A) amount written off during the current Quarter**	**Of (A) amount paid by the borrowers during the current quarter**	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of quarter ended 30th June 2023**
Personal Loans	Nil	Nil	Nil	Nil	Nil
Corporate persons					
of which, MSMEs	Nil	Nil	Nil	Nil	Nil
Others (Small Business)	650.00	Nil	Nil	250.00	400.00
Total	**650.00**	**Nil**	**Nil**	**250.00**	**400.00**

7 Details of loans transferred / acquired during the quarter ended 30 June 2023 under the RBI Master Direction on Transfer of Loan Exposures dated 24 September 2021 are given below:
(a) Details of loans not in default acquired or transferred through direct assignments during quarter ended 30 June 2023 - Nil
(b) Details of any stressed loans transferred or acquired during the quarter ended 30 June 2023 - Nil

8 The Company is categorised in the Middle layer as per framework issued by RBI vide notification no. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 for NBFCs dated 22 October 2021. The Company is taking necessary steps for complying with the applicable requirements of SBR.

9 The Company's existing definition of default i.e. Days Past Due approach is in line with the RBI circular dated 12 November 2021 read with circular dated 15 February 2022. Accordingly the same does not have any impact on the financial results for the quarter ended 30 June 2023 as the Company continues to prepare the financial results in accordance with the applicable IND-AS guidelines and the RBI Circular dated 13 March 2020.

S BHANDARI & CO LLP Chartered Accountants

A. K. CAPITAL FINANCE LIMITED MUMBAI

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

10 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 30 June 2023 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. The details for security cover as per format prescribed by the SEBI vide circular dated 19 May 2022 is enclosed.

11 **Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter ended 30 June 2023**

Particular	**Quarter ended**			**Year ended**
	30 June 2023	**31 March 2023**	**30 June 2022**	**31 March 2023**
	Unaudited	**(Refer Note 3)**	**Unaudited**	**Audited**
Debt Equity Ratio	2.40	2.26	1.37	2.26
Outstanding redeemable preference shares (quantity and value)	-	-	-	-
Capital redemption reserve / Debenture redemption reserve (Rs. in lakhs)	-	-	-	-
Net worth (Total Equity) (Rs. in lakhs)	72,947.79	71,520.96	67,629.86	71,520.96
Total debts to total assets (%)	69.32	67.56	56.92	67.56
Net profit margin (%)	20.42	24.41	25.96	24.29
Sector specific equivalent ratios				
(a) Gross Stage 3 (%)	0.05%	0.02%	-	0.02%
(b) Net Stage 3 (%)	-	-	-	-
(c) Capital to risk-weighted assets ratio (%)	34.05	33.56	42.84	33.56

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.

12 The Board of Direcotrs of the Company in their board meeting held on 29 July 2023, have approved a final dividend @ 12% on its compulsorily convertible preference share having face value of Rs.100 each for the period 1 October 2022 to 31 March 2023, which will result in total cash outflow of Rs. 388.93 Lakhs.

13 The above 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.

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

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

Place: Mumbai
Date: 29 July 2023

S BHANDARI & CO LLP Chartered Accountants

A.K. CAPITAL FINANCE LIMITED MUMBAI

For A. K. Capital Finance Limited

ATUL KUMAR MITTAL

Digitally signed by ATUL KUMAR MITTAL
DN: c=IN, o=Personal, pseudonym=2d1246250e8e4f9660d29234bb9f8b65a7d1194d931c7408be281186 9a7e0afa5, postalCode=400005, st=MAHARASHTRA, serialNumber=fd5e6681 5a1143e5a2bedd45aad6610d8adcbf7bad98732b a6eb497fb6836c2f, cn=ATUL KUMAR MITTAL
Date: 2023.07.29 13:40:17 +05'30'

A. K. Mittal
Managing Director
DIN: 00698377