BGJC & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
ESTABLISHED SINCE 1982

**Independent Auditor's Limited Review report on unaudited standalone financial results of A.K. Capital Finance Limited for the quarter and nine months ended December 31, 2024 pursuant to Regulation 52 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of A.K. Capital Finance Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of A.K. Capital Finance Limited ('the Company') for the quarter and nine months period ended December 31, 2024 being submitted by the Company pursuant to the requirements of regulation 52 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and SEBI circulars as amended from time to time.

2. This Statement which is the responsibility of the Company's management and has been approved by the Board of Directors, has 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, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Company 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 of unaudited financial results prepared in accordance with applicable accounting standards and other recognized 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 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.

5. **Other matters**

   The corresponding financial results for the quarter and nine months period ended December 31, 2023 and for the year ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards included in the Statement have been reviewed/ audited by the predecessor

auditor who had reviewed/audited the financial results for the relevant periods and expressed an unmodified opinion as per their reports dated February 03, 2024 and May 11, 2024 respectively.

Our conclusion is not modified in respect of the above matter.

For **BGJC & Associates LLP**
Chartered Accountants
Firm's Registration Number: 003304N/N500056

MANISH KUMAR
Digitally signed by MANISH KUMAR
Date: 2025.02.03 20:23:22 +05'30'

**Manish Kumar**
Partner
Membership Number: 423629

UDIN: 25423629BMOQME1901

Place: New Delhi
Date: February 03, 2025

# 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 AND NINE MONTHS ENDED 31 DECEMBER 2024**

**(Rs. in Lakhs except per share data)**

| Sr. No. | Particulars | Quarter ended | | | Nine Months ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | 31 December 2024 (Refer Note 3) | 30 September 2024 Unaudited | 31 December 2023 (Refer Note 3) | 31 December 2024 Unaudited | 31 December 2023 Unaudited | 31 March 2024 Audited |
| 1 | **Revenue from operations** | | | | | | |
| | Interest income | 6,184.47 | 6,373.35 | 5,715.49 | 18,750.22 | 16,683.06 | 22,692.75 |
| | Fees and commission income | 357.95 | 437.56 | 900.79 | 1,196.18 | 1,417.51 | 2,283.38 |
| | Net gain on fair value changes | 1,489.57 | 1,411.41 | 1,186.52 | 3,893.52 | 3,934.46 | 5,960.68 |
| | Net gain on derecognition of financial instruments under amortised cost category | 7.53 | 18.23 | 98.18 | 97.30 | 33.00 | 76.17 |
| | **Total revenue from operations** | **8,039.52** | **8,240.55** | **7,900.98** | **23,937.22** | **22,068.03** | **31,012.98** |
| 2 | Other income | - | - | 0.45 | - | 3.19 | 3.38 |
| | **Total income (1+2)** | **8,039.52** | **8,240.55** | **7,901.43** | **23,937.22** | **22,071.22** | **31,016.36** |
| 3 | **Expenses** | | | | | | |
| | Finance costs | 4,375.52 | 4,281.90 | 3,897.96 | 12,830.52 | 10,910.47 | 15,177.30 |
| | Fees and commission expenses | 280.82 | 315.68 | 377.18 | 1,058.18 | 957.93 | 1,315.48 |
| | Impairment of financial instruments (net) | (0.36) | (46.65) | (67.89) | (17.98) | (71.30) | (30.92) |
| | Employee benefits expenses | 1,076.92 | 1,186.82 | 1,440.01 | 3,029.67 | 3,494.88 | 4,679.94 |
| | Depreciation and amortization expense | 94.23 | 94.26 | 94.72 | 281.84 | 275.44 | 368.93 |
| | Other expenses | 289.08 | 335.33 | 282.89 | 854.19 | 772.53 | 1,214.73 |
| | **Total expenses** | **6,116.21** | **6,167.34** | **6,024.87** | **18,036.42** | **16,339.95** | **22,725.46** |
| 4 | **Profit before exceptional items and tax (1+2-3)** | **1,923.31** | **2,073.21** | **1,876.56** | **5,900.80** | **5,731.27** | **8,290.90** |
| 5 | Exceptional items | - | - | - | - | - | - |
| 6 | **Profit before tax (4+5)** | **1,923.31** | **2,073.21** | **1,876.56** | **5,900.80** | **5,731.27** | **8,290.90** |
| 7 | **Tax expense** | | | | | | |
| | Current tax | 280.50 | 436.50 | 319.00 | 1,170.00 | 1,171.00 | 1,835.00 |
| | Prior period tax adjustments | - | - | (4.79) | 0.39 | (4.79) | (4.79) |
| | Deferred tax expense/ (credit) | 162.21 | 31.02 | 88.73 | 193.15 | 211.93 | 153.28 |
| 8 | **Profit for the year/ period (6-7)** | **1,480.60** | **1,605.69** | **1,473.62** | **4,537.26** | **4,353.13** | **6,307.41** |
| 9 | **Other comprehensive income for the year/ period** | | | | | | |
| | Item that will not to be reclassified to the statement of profit and loss | (0.78) | (14.88) | (14.11) | (24.40) | (23.41) | (49.41) |
| | Less: Income tax expense on above | 0.19 | 3.75 | 3.55 | 6.14 | 5.90 | 12.44 |
| 10 | **Total comprehensive income for the year/ period (8+9)** | **1,480.01** | **1,594.56** | **1,463.06** | **4,519.00** | **4,335.62** | **6,270.44** |
| 11 | **Paid-up share capital** | | | | | | |
| | Equity share capital (Face value of Rs. 10 per share) | 2,654.38 | 2,654.38 | 2,329.38 | 2,654.38 | 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 |
| 12 | **Other equity (excluding revaluation reserves)** | | | | | | 68,182.02 |
| 13 | **Earning per share (of Rs. 10 each) (annualised / not annualised) :** | | | | | | |
| | Basic (in Rs.) | 5.58 | 6.05 | 5.55 | 17.09 | 16.40 | 23.76 |
| | Diluted (in Rs.) | 5.58 | 6.05 | 5.55 | 17.09 | 16.40 | 23.76 |

A.K. CAPITAL FINANCE LIMITED MUMBAI

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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 3 February 2025. The statutory auditors of the Company have carried out limited review of aforesaid standalone financial results.

2 The unaudited standalone financial results of A. K. Capital Finance Limited ("the Company") have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, 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/DDHS_Div1/P/CIR/2022/0000000103 dated 29 July 2022. Any application guidance / clarification / directions issued by the Reserve Bank of India (RBI) or other regulators are implemented as and when they are issued / became applicable

3 The figures reported in the unaudited standalone financial results for the quarter ended 31 December 2024 and 31 December 2023 are the balancing figures between the unaudited standalone figures for the nine months ended 31 December 2024 and 31 December 2023 and the unaudited standalone figures for half year ended 30 September 2024 and 30 September 2023, 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 for the quarter ended 31 December 2023, nine months ended 31 December 2023 and year ended 31 March 2024.

6 Details of loans transferred / acquired during the quarter and nine months ended 31 December 2024 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 and nine months ended 31 December 2024 - Nil
(b) Details of any stressed loans transferred or acquired during quarter and nine months ended 31 December 2024 - Nil

7 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 complying with the applicable requirements of SBR.

8 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 31 December 2024 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.

9 **Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter and nine months ended 31 December 2024**

| Particular | Quarter ended | | | Nine Months ended | | Year ended |
|---|---|---|---|---|---|---|
| | 31 December 2024 | 30 September 2024 | 31 December 2023 | 31 December 2024 | 31 December 2023 | 31 March 2024 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Debt Equity Ratio | 2.80 | 2.79 | 2.61 | 2.80 | 2.61 | 2.62 |
| Outstanding redeemable preference shares (quantity and value) | - | - | - | - | - | - |
| Capital redemption reserve / Debenture redemption reserve (Rs. in lakhs) | - | - | - | - | - | - |
| Net worth (Total Equity) (Rs. in lakhs) | 80,135.17 | 79,278.94 | 75,076.58 | 80,135.17 | 75,076.58 | 77,011.40 |
| Total debts to total assets (%) | 72.76 | 72.70 | 70.53 | 72.76 | 70.53 | 70.65 |
| Net profit margin (%) | 18.42 | 19.49 | 18.65 | 18.95 | 19.72 | 20.34 |
| **Sector specific equivalent ratios** | | | | | | |
| (a) Gross Stage 3 (%) | - | - | 0.57% | - | 0.57% | - |
| (b) Net Stage 3 (%) | - | - | 0.34% | - | 0.34% | - |
| (c) Capital to risk-weighted assets ratio (%) | 33.65 | 33.34 | 31.82 | 33.65 | 31.82 | 33.30 |

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.

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10 The Board of Directors of the Company in their board meeting held on 3 February 2025, have declared an interim dividend of Rs.2.35 per equity share on 2,65,43,750 equity share having face value of Rs.10 each for the financial year ending 31 March 2025, which will result in total cash outflow of Rs. 623.78 Lakhs.

11 The above unaudited standalone financial results are to be filed with BSE limited and National Stock Exchange of India Limited under Regulation 52 of the SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

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

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

**For A. K. Capital Finance Limited**

ATUL KUMAR MITTAL

Digitally signed by ATUL KUMAR MITTAL
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Date: 2025.02.03 20:16:13 +05'30'

**Place: Mumbai**
**Date: 03 February 2025**

**A. K. Mittal**
**Managing Director**
**DIN: 00698377**