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**Walker Chandiook & Co LLP**

16th Floor, Tower III,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400013  
Maharashtra, India  
T +91 22 6626 2600

## Independent Auditor's Report

To the Members of Northern Arc Investment Managers Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of **Northern Arc Investment Managers Private Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2025**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 March 2025, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, 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.

#### Emphasis of Matter: Presentation of financial statements

4. We draw attention to Note 37 (o) to the accompanying financial statements which describes that the Company has prepared the financial statements in accordance with Division III of the Schedule III of the Act considering the Company is a Non-Banking Financial Company (NBFC) as defined in the Companies (Indian Accounting Standards) Rules, 2015 for applicability of format for preparation of financial statements, instead of Division II of Schedule III of the Act. Accordingly, corresponding figures as at 1 April 2023 and as at and for the year ended March 2024 have been restated in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Our opinion is not modified in respect of this matter.



**Information other than the Financial Statements and Auditor's Report thereon**

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' 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 in the audit or otherwise appears to be materially misstated.

The Directors' Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

9. 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 Standards on Auditing 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.
10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, 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;





**Northern Arc Investment Managers Private Limited**  
**Independent Auditor's Report on the Audit of the Financials Statements**

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- 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Board of Directors' 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; and
  - 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.
11. 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.

**Other Matter**

12. The financial statements of the Company for the year ended 31 March 2024 were audited by the predecessor auditor, S. R. Batliboi & Associate LLP, Chartered Accountants, who have expressed an unmodified opinion on those financial statements vide their audit report dated 13 May 2024.

**Report on Other Legal and Regulatory Requirements**

13. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
14. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;



**Northern Arc Investment Managers Private Limited**  
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- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure II, wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2025;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37 (g) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37 (h) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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 31 March 2025.
  - vi. As stated in Note 37 (k) to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, have used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Murad D. Daruwalla**  
Partner  
Membership No.: 043334

**UDIN: 25043334BMRJTV3474**

**Place:** Mumbai  
**Date:** 14 May 2025



**Annexure I referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Northern Arc Investment Managers Private Limited on the 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.  
  
(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its property, plant and equipment during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.  
  
(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



**Annexure I (Contd)**

- (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, we report that there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix)(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful 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.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (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 Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, 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. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.





**Annexure I (Contd)**

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, 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 till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are 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 the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.



**Annexure I (Contd)**

- (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 under this report.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Murad D. Daruwalla**  
Partner  
Membership No.: 043334

**UDIN: 25043334BMRJTV3474**

**Place:** Mumbai  
**Date:** 14 May 2025



Annexure II referred to in paragraph 15 (f) to the Independent Auditor's Report of even date to the members of Northern Arc Investment Managers Private Limited on the 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')

1. In conjunction with our audit of the financial statements of **Northern Arc Investment Managers Private Limited** ('the Company') as at and for the year ended **31 March 2025**, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



**Annexure II (Contd)**

**Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to Financial Statements**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Murad D. Daruwalla**  
Partner  
Membership No.: 043334

**UDIN: 25043334BMRJTV3474**

Place: Mumbai  
Date: 14 May 2025




Northern Arc Investment Managers Private Limited  
Balance Sheet  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Assets</b>				
<b>I Financial assets</b>				
a. Cash and cash equivalents	4	62.42	0.02	30.80
b. Receivables	5			
(i) Trade receivables		682.64	892.44	840.28
(ii) Other receivables		131.02	185.33	584.59
c. Investments	6	11,326.37	14,374.13	3,335.51
d. Other financial assets	7	7.21	8.02	7.26
<b>Total financial assets</b>		<b>12,209.66</b>	<b>15,459.94</b>	<b>4,798.44</b>
<b>II Non-financial assets</b>				
a. Current tax assets (net)	8	223.55	643.91	463.80
b. Deferred tax assets (net)	26	394.82	-	-
c. Property, plant and equipment	9	-	-	0.12
d. Other non-financial assets	10	508.88	615.57	711.64
<b>Total non-financial assets</b>		<b>1,127.25</b>	<b>1,259.48</b>	<b>1,175.56</b>
<b>Total assets</b>		<b>13,336.91</b>	<b>16,719.42</b>	<b>5,974.00</b>
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
<b>I Financial liabilities</b>				
<b>Payables</b>				
a. Trade payables	11			
- total outstanding dues of micro enterprises and small enterprises		-	-	-
- total outstanding dues of creditors other than micro and small enterprises		218.20	349.10	58.17
b. Borrowings (other than debt securities)	12	7,560.84	10,098.31	169.43
c. Other financial liabilities	13	449.08	515.07	773.85
<b>Total financial liabilities</b>		<b>8,228.12</b>	<b>10,962.48</b>	<b>1,001.45</b>
<b>II Non-financial liabilities</b>				
a. Provisions	14	58.67	168.07	164.38
b. Deferred tax liabilities (net)	26	-	71.89	20.02
c. Other non-financial liabilities	15	173.55	130.67	129.52
<b>Total non-financial liabilities</b>		<b>232.22</b>	<b>370.63</b>	<b>313.92</b>
<b>III Equity</b>				
a. Equity share capital	16	361.00	361.00	361.00
b. Other equity	17	4,515.57	5,025.31	4,297.63
<b>Total equity</b>		<b>4,876.57</b>	<b>5,386.31</b>	<b>4,658.63</b>
<b>Total liabilities and equity</b>		<b>13,336.91</b>	<b>16,719.42</b>	<b>5,974.00</b>

Summary of material accounting policies and other explanatory information (1 to 37)

This is the Balance Sheet referred to in our report of even date

For Walker Chandio & Co LLP  
Chartered Accountants  
ICAI Firm's Registration No. 001076N/N500013



Murad D. Daruwalla  
Partner  
ICAI Membership No. 043334



Place : Mumbai  
Date : May 14, 2025

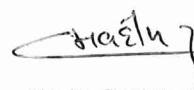
For and on behalf of the Board of Directors of  
Northern Arc Investment Managers Private Limited  
CIN: U74120TN2014PTC095064



Ashish Mehrotra  
Director  
DIN: 07277318  
Place : Mumbai  
Date : May 14, 2025



Kshama Fernandes  
Director  
DIN: 02539429  
Place : Mumbai  
Date : May 14, 2025



Bhavdeep Chandrakant Bhatt  
Chief Executive Officer  
Place : Mumbai  
Date : May 14, 2025



Vishal Garg  
Chief Financial Officer  
Place : Mumbai  
Date : May 14, 2025



Northern Arc Investment Managers Private Limited  
Statement of Profit and Loss  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
<b>Revenue</b>			
Revenue from operations	18		
Interest income		1,539.07	712.35
Fee and commission income		3,078.04	2,989.88
Net gain on fair value changes		-	121.54
<b>Total revenue from operations</b>		<b>4,617.11</b>	<b>3,823.77</b>
Other income	19	623.58	758.56
<b>Total income</b>		<b>5,240.69</b>	<b>4,582.33</b>
<b>Expenses</b>			
Finance costs	20	1,126.47	363.07
Fee and commission expense	21	641.54	918.40
Net loss on fair value changes	22	1,759.54	-
Employee benefit expenses	23	1,134.52	1,033.13
Depreciation and amortisation expense	24	-	0.12
Other expenses	25	1,259.86	1,250.20
<b>Total expenses</b>		<b>5,921.93</b>	<b>3,564.92</b>
<b>Profit / (Loss) before tax</b>		<b>(681.24)</b>	<b>1,017.41</b>
<b>Tax expense</b>			
Current tax	26	299.43	225.30
Adjustment of tax relating to earlier periods		-	25.49
Deferred tax charge / (credit)	26	(467.77)	48.62
		<b>(168.34)</b>	<b>299.41</b>
<b>Profit / (Loss) for the year</b>		<b>(512.90)</b>	<b>718.00</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of gain / (loss) for defined benefit plan		4.22	12.94
Deferred tax charge / (credit) on remeasurement of the defined benefit plan		(1.06)	(3.26)
<b>Other comprehensive income for the year</b>		<b>3.16</b>	<b>9.68</b>
<b>Total comprehensive income / (loss) for the year</b>		<b>(509.74)</b>	<b>727.68</b>
<b>Earnings per equity share (Nominal Value - INR 100/ Share)</b>	35		
Basic (in rupees)		(142.08)	198.89
Diluted (in rupees)		(142.08)	198.89

Summary of material accounting policies and other explanatory information (1 to 37)

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm's Registration No. 001076N/NS00013

*Murad D. Daruwalla*

Murad D. Daruwalla  
Partner

ICAI Membership No. 043334



Place : Mumbai  
Date : May 14, 2025

For and on behalf of the Board of Directors of  
Northern Arc Investment Managers Private Limited  
CIN: U74120TN2014PTC095064

*Ashish Mehrotra*  
Ashish Mehrotra  
Director  
DIN: 07277518  
Place : Mumbai  
Date : May 14, 2025

*Kshama Fernandes*  
Kshama Fernandes  
Director  
DIN: 02539429  
Place : Mumbai  
Date : May 14, 2025

*Bhavdeep Chandrakant Bhatt*  
Bhavdeep Chandrakant Bhatt  
Chief Executive Officer  
Place : Mumbai  
Date : May 14, 2025

*Vishal Garg*  
Vishal Garg  
Chief Financial Officer  
Place : Mumbai  
Date : May 14, 2025





Northern Arc Investment Managers Private Limited  
Statement of changes in equity  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

A. Equity share capital

Particulars	At as March 31, 2025		At as March 31, 2024		At as April 1, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity share of Rs. 100 each issued, subscribed and fully paid up						
Opening balance	3,61,000	361.00	3,61,000	361.00	3,61,000	361.00
Add: Issued during the year	-	-	-	-	-	-
Closing balance	3,61,000	361.00	3,61,000	361.00	3,61,000	361.00
Total	3,61,000	361.00	3,61,000	361.00	3,61,000	361.00

B. Other equity

	Reserves and surplus		Other	
	Capital Redemption Reserve	Retained Earnings	Comprehensive Income (OCI)	Total
Opening balance as at April 1, 2024	722.00	4,262.64	40.67	5,025.31
Transactions during the year ended March 31, 2025				
Profit for the year	-	(512.90)	-	(512.90)
Reclassification of remeasurement of net defined benefit liability	-	-	3.16	3.16
Balance as at March 31, 2025	722.00	3,749.74	43.83	4,515.57
Opening balance as at April 1, 2023	722.00	3,544.64	30.99	4,297.63
Transactions during the year ended March 31, 2024				
Profit for the year	-	718.00	-	718.00
Reclassification of remeasurement of net defined benefit liability	-	-	9.68	9.68
Balance as at March 31, 2024	722.00	4,262.64	40.67	5,025.31

Summary of material accounting policies and other explanatory information (1 to 37)

This is the Statement of Changes in Equity referred to in our report of even date

For Walker Chandio & Co LLP  
Chartered Accountants  
ICAI Firm's Registration No. 001076N/N500013

Murad D. Daruwalla  
Partner  
ICAI Membership No. 043334



Place : Mumbai  
Date : May 14, 2025

For and on behalf of the Board of Directors of  
Northern Arc Investment Managers Private Limited  
CIN: U74120TN2014PTC095064

Ashish Mehrotra  
Director  
DIN: 07277318  
Place : Mumbai  
Date : May 14, 2025

Bhavdeep Chandrakant Bhatt  
Chief Executive Officer  
Place : Mumbai  
Date : May 14, 2025

Kshama Fernandes  
Director  
DIN: 02539429  
Place : Mumbai  
Date : May 14, 2025

Vishal Garg  
Chief Financial Officer  
Place : Mumbai  
Date : May 14, 2025



**Northern Arc Investment Managers Private Limited**  
**Statement of Cash Flows**  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>A Cash flow from operating activities</b>		
Profit before tax	(681.24)	1,017.41
Adjustments for:		
Interest on income tax refund	(50.38)	(4.16)
Interest income	(1,539.07)	(712.35)
Unrealised gain on financial instruments designated at fair value through profit or loss	1,759.54	(121.54)
Depreciation and amortisation expense	-	0.12
Interest expense on term loan	1,126.47	363.07
<b>Operating profit before working capital changes</b>	<b>615.32</b>	<b>542.55</b>
<b>Changes in working capital:</b>		
(Increase) / Decrease in trade and other receivables	264.11	(52.16)
(Increase) / Decrease in other financial assets	0.81	398.62
(Increase) / Decrease in other non-financial assets	106.69	95.95
Increase / (Decrease) in trade payables	(130.90)	-
Increase / (Decrease) in other financial liabilities	(65.99)	(257.63)
Increase / (Decrease) in provisions	(105.18)	307.12
Increase / (Decrease) in other non-financial liabilities	42.88	51.87
<b>Cash generated from operations</b>	<b>727.74</b>	<b>1,086.32</b>
Taxes paid, net of refunds	171.31	(478.17)
<b>Net cash generated from operating activities</b>	<b>(A) 899.05</b>	<b>608.15</b>
<b>B Cash flows from investing activities</b>		
Purchase of investments	(3,731.00)	(10,580.04)
Sale or redemption of investments	5,227.65	-
Interest received from investments	1,330.63	375.30
<b>Net cash generated from / (used in) investing activities</b>	<b>(B) 2,827.28</b>	<b>(10,204.74)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from borrowings	11,382.61	14,261.28
Repayment of borrowings	(13,920.07)	(4,332.41)
Interest paid	(1,126.47)	(363.06)
<b>Net cash generated from / (used in) financing activities</b>	<b>(C) (3,663.93)</b>	<b>9,565.80</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C) 62.40</b>	<b>(30.78)</b>
Cash and cash equivalents at the beginning of the year	0.02	30.80
<b>Cash and cash equivalents at the end of the year</b>	<b>62.42</b>	<b>0.02</b>



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**Northern Arc Investment Managers Private Limited**  
**Statement of Cash Flows**  
 (All amounts are in Indian Rupees in lakhs, unless otherwise stated)

<b>Notes to cash flow statement</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
<b>1 Cash and cash equivalents comprise of Balances with banks:</b>		
Balances with banks		
In current accounts	62.42	0.02
<b>Cash and cash equivalents</b>	<b>62.42</b>	<b>0.02</b>

2 Figures in brackets indicate cash outflows.

3 The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

Summary of material accounting policies and other explanatory information (1 to 37)

This is the Statement of Cash Flows referred to in our report on even date

For **Walker Chandio & Co LLP**  
 Chartered Accountants  
 ICAI Firm's Registration No. 001076N/N500013



**Murad D. Daruwalla**  
 Partner  
 ICAI Membership No. 043334

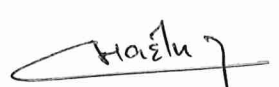


Place : Mumbai  
 Date : May 14, 2025

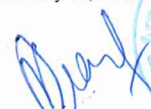
For and on behalf of the Board of Directors of  
**Northern Arc Investment Managers Private Limited**  
 CIN: U74120TN2014PTC095064

  
**Ashish Mehrotra**  
 Director  
 DIN:07277318  
 Place : Mumbai  
 Date : May 14, 2025

  
**Kshama Fernandes**  
 Director  
 DIN:02539429  
 Place : Mumbai  
 Date : May 14, 2025



**Bhavdeep Chandrakant Bhatt**  
 Chief Executive Officer  
 Place : Mumbai  
 Date : May 14, 2025



**Vishal Garg**  
 Chief Financial Officer  
 Place : Mumbai  
 Date : May 14, 2025



## 1 Background

Northern Arc Investment Managers Private Limited was incorporated on February 17, 2014, with the aim of carrying on the business of Investment Company and also to provide portfolio management services to Offshore funds and all kinds of Investment Funds. The Company acts as an investment manager to its alternative investment funds. The Company is a wholly owned subsidiary of Northern Arc Capital Limited. The Company's registered address is No. 1, Kanagam Village, 10th Floor IITM Research Park, Taramani Chennai TN 600113. The CIN of the Company is U74120TN2014PTC095064.

## 2 Statement of compliance

### 2.1 Basis of preparation

The financial statements of the Company comply in all material aspects and have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended from time to time.

The financial statements for the year ended March 31, 2025 were approved for issue by the Board of Directors of the Company on May 14, 2025.

Accounting policies have been applied consistently over all the periods presented in these financial statements

The Company is covered by the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 29.

Details of the Company's material accounting policies were disclosed in note 3.

### 2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Rupees in lakhs (two decimals), unless otherwise indicated.

### 2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial instruments are measured at fair values;
- Investments - measured at fair value through Profit and loss (FVTPL)
- Defined benefit plan - plan assets measured at fair value
- Liabilities for equity settled share based payment arrangements - measured at fair value on grant date

### 2.4 Use of Estimates and Judgements

The preparation of financial Statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (Including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period.

Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods.

#### Assumptions and estimation uncertainties

Information about critical judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

Note 30 — recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources, if any;

Note 31 — measurement of defined benefit obligations; key actuarial assumptions;

Note 26 — recognition of deferred tax assets;

Note 27 — Financial instruments — measurement of fair values and impairment of financial assets;

Note 32 — Estimation Of fair value in respect of employee stock option plan.

## 3 Material accounting policies

### 3.1 Revenue Recognition

#### Fee income

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.





**Management fees**

Pursuant to the management agreement / private placement memorandum (PPM) entered by the Company with the funds, the Company charges management fees to the funds as a percentage of the aggregate capital contributions by the investors. Revenue from management fees is recognized as and when services are performed over time

**Net gain / (loss) on fair value changes**

The realized gains / losses from financial instruments at FVTPL represents the difference between the carrying amount of financial instrument at the beginning of the reporting period, or the transaction price if it was purchased in the current reporting period, and its settlement price.

**Fund operating fee**

Pursuant to the management agreement / private placement memorandum (PPM) entered by the Company with the fund, Company incurs all operating expense on behalf of the fund and recharges to the fund at specified percentage as Fund operating fee.

**Other income**

Other income such as interest on income tax refund, recovery from written off assets are recognised on receipt basis.

**Income from investment in alternative investment fund**

Income from investment in alternative investment fund is recognised when the right to receive is established.

**Dividend income**

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

**3.2 Financial instrument - initial recognition**

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 assets**

**Initial recognition**

Financial assets, not recorded at fair value through profit or loss (FVTPL), are recognised initially at fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

**- financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and 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. Interest income from these financial assets is recognised in Statement of Profit and Loss using the effective interest rate ("EIR") method.

Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**- financial assets measured at fair value through other comprehensive income ("OCI")**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model in order to collect contractual cash flows and to sell these financial assets and 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

**- financial assets measured at FVTPL**

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

**Impairment of Financial assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, other receivables and other financial assets. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

**De-recognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires (such as redemption of mutual fund units), or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**(b) Equity instruments and financial liabilities**

Equity instruments issued by and financial liabilities of the Company are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument and a financial liability as laid down in Ind AS.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.



**Financial liabilities****Initial recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below :

**- Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**- Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

**Derecognition of financial liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**Impairment of non financial assets**

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible or intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

**Write-offs**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**Determination of fair value**

Fair value is the price that would be received to sell an asset or paid to transfer 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 is 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, assuming that market participants act in their best economic interest.

Changes in level 2 and 3 fair values are analyzed at the end of each reporting period.

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 prices (unadjusted) in active markets for identical assets or liabilities.
- 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)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred (if any).

**3.3 Property, plant and equipment****i. 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 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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

**ii. Subsequent expenditure**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that additional future economic benefits from the existing assets will flow to the Company and the cost of the item can be measured reliably.





**iii. Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset category	Useful Life
Computers and accessories	3 years
Office equipments	5 years

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of)

**iv. Derecognition**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. On disposals gains and losses are determined by comparing proceeds with carrying amount and are recognised in the Statement of Profit and Loss.

**3.4 Employee benefits****i. Post-employment benefits****Defined contribution plan**

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

**Defined benefit plans****Gratuity**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**ii. Other long-term employee benefits****Compensated absences**

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

**iii. Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

**iv. Employee Stock Option based compensation**

The Employee Stock Option Scheme provides for the grant of options to acquire equity shares of the holding company to its employees. The period of vesting and period of exercise are as specified within the schemes. The fair value at grant date of equity settled share-based payment options granted to employees is recognized as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options. The amount recognized as expense is based on the estimate of the number of options for which the related service conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of options that do meet the related service conditions at the vesting date. Such compensation cost is amortized over the vesting period of the respective tranches of such grant.

**3.5 Provisions and contingent liabilities**

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



### 3.6 Income tax

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

#### i. Current tax

Current tax comprises the expected tax payable or 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. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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.

#### ii. Deferred tax

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. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.

### 3.7 Borrowing cost

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

### 3.8 Cash and cash equivalents

Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Cash and cash equivalents comprises balances in current account with banks.

### 3.9 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

### 3.10 Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

### 3.11 New and Amended Standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has notified below new standards / amendments which were effective from 1 April, 2024.

#### Amendment to Ind AS 116 – Lease Liability in a sale and leaseback

The amendment requires an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of use asset it retains.

#### Introduction of Ind AS 117

MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The Company has reviewed the new pronouncement and based on its evaluation has determined that these amendments do not have an impact on the financial statements.





4 Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Balance with banks			
- in current accounts	62.42	0.02	30.80
<b>Total</b>	<b>62.42</b>	<b>0.02</b>	<b>30.80</b>

5 Receivables

	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Trade receivables</b>			
(i) Receivables considered good - secured	-	-	-
(ii) Receivables considered good - unsecured	682.64	892.44	840.28
(iii) Receivables which have significant increase in credit risk - unsecured	-	-	-
(iv) Receivables - credit impaired - unsecured	-	-	-
Less: Allowance for impairment loss	-	-	-
<b>Other receivables *</b>			
Unsecured, considered good	131.02	185.33	584.59
<b>Total</b>	<b>813.66</b>	<b>1,077.77</b>	<b>1,424.87</b>

\* No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from firms, limited liability partnerships or private companies in which any director is a partner or a director or a member.

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Trade receivables Ageing Schedule  
As at March 31, 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	682.64	-	-	-	-	682.64
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
<b>Total</b>	-	<b>682.64</b>	-	-	-	-	<b>682.64</b>



Northern Arc Investment Managers Private Limited

Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Trade receivables Ageing Schedule  
As at March 31, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	892.44	-	-	-	-	892.44
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
<b>Total</b>	-	<b>892.44</b>	-	-	-	-	<b>892.44</b>

Trade receivables Ageing Schedule  
As at April 1, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	840.28	-	-	-	-	840.28
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
<b>Total</b>	-	<b>840.28</b>	-	-	-	-	<b>840.28</b>

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**Northern Arc Investment Managers Private Limited**

**Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

<b>6 Investments</b>			
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Measured at fair value through profit and loss</b>			
<b>(i) Alternative Investment Funds - unquoted</b>			
IFMR Fim pact Long Term Credit Fund 2,498.24 (March 31, 2024: 2,498.24) units of INR 100,000 each	2,695.30	2,731.78	544.85
Northern Arc Money Market Alpha Fund 10,07,206.7648 (March 31, 2024: 13,01,982.63) units of INR 100 each	1,071.01	1,360.34	1,264.04
Northern Arc India Impact Fund 6,476.56 (March 31, 2024: 6,476.56) units of INR 100,000 each	5,858.20	7,524.81	550.04
Northern Arc Income Builder Fund (Series II)-Class A Nil (March 31, 2024: 1,476.48) units of INR 100,000 each	-	2,232.92	725.60
Northern Arc Emerging Corporate Bond Fund 488.37 (March 31, 2024: 488.37) units of INR 100,000 each	523.18	524.28	250.98
Northern Arc Finserv Fund 500 (March 31, 2024: Nil) units of INR 100,000 each	515.77	-	-
Northern Arc Fintech NBFC Fund I 487.7940 (March 31, 2024: Nil) units of INR 100,000 each	515.13	-	-
<b>Total Investments in AIFs</b>	<b>11,178.59</b>	<b>14,374.13</b>	<b>3,335.51</b>
<b>(ii) Investment in Mutual Funds - quoted</b>			
Axis Overnight Fund - Direct Growth 4443.995 (March 31, 2024: Nil) units	60.04	-	-
Aditya Birla Sun Life Liquid Fund - Direct Growth ** 20,952.915 (March 31, 2024: Nil) units	87.74	-	-
<b>Total Investments in Mutual Funds</b>	<b>147.78</b>	<b>-</b>	<b>-</b>
<b>Total Investments</b>	<b>11,326.37</b>	<b>14,374.13</b>	<b>3,335.51</b>
<b>Geographical market</b>			
- in India	11,326.37	14,374.13	3,335.51
- outside India	-	-	-
	<b>11,326.37</b>	<b>14,374.13</b>	<b>3,335.51</b>
Aggregate amount of quoted investments	147.78	-	-
Aggregate amount of unquoted investments	11,178.59	14,374.13	3,335.51
<b>** lien marked</b>			

<b>7 Other financial assets</b>			
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Security deposits, considered good - unsecured	4.98	4.98	4.80
Advance to employees	2.23	3.04	2.46
<b>Total</b>	<b>7.21</b>	<b>8.02</b>	<b>7.26</b>

<b>8 Current tax assets (net)</b>			
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Advance Income tax (net of provision for tax Rs. 2,107.64 lakhs; Mar 31, 2024 Rs. 1,896.06 lakhs; Apr 1, 2023 Rs. 1,645.26 lakhs)	223.55	643.91	463.80
<b>Total</b>	<b>223.55</b>	<b>643.91</b>	<b>463.80</b>





**Northern Arc Investment Managers Private Limited**

**Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025**  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**9 Property, plant and equipment**

	Computer and accessories	Office equipments	Total
<b>Cost / Deemed cost</b>			
Balance as at March 31, 2022	19.97	0.80	20.77
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2023</b>	<b>19.97</b>	<b>0.80</b>	<b>20.77</b>
Balance as at March 31, 2023	19.97	0.80	20.77
Additions	-	-	-
Disposals	(4.17)	(0.80)	(4.97)
<b>Balance as at March 31, 2024</b>	<b>15.80</b>	<b>-</b>	<b>15.80</b>
Balance as at March 31, 2024	15.80	-	15.80
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2025</b>	<b>15.80</b>	<b>-</b>	<b>15.80</b>
<b>Depreciation</b>			
Balance as at March 31, 2022	14.61	0.80	15.41
Depreciation for the year	5.24	-	5.24
Accumulated depreciation on disposals	-	-	-
<b>Balance as at March 31, 2023</b>	<b>19.85</b>	<b>0.80</b>	<b>20.65</b>
Balance as at March 31, 2023	19.85	0.80	20.65
Depreciation for the year	0.12	-	0.12
Accumulated depreciation on disposals	(4.17)	(0.80)	(4.97)
<b>Balance as at March 31, 2024</b>	<b>15.80</b>	<b>-</b>	<b>15.80</b>
Balance as at March 31, 2024	15.80	-	15.80
Depreciation for the year	-	-	-
Accumulated depreciation on disposals	-	-	-
<b>Balance as at March 31, 2025</b>	<b>15.80</b>	<b>-</b>	<b>15.80</b>
<b>Net block</b>			
As at April 1, 2023	0.12	-	0.12
As at March 31, 2024	-	-	-
As at March 31, 2025	-	-	-

**Note:**

On conversion to Ind AS, the group elected to continue with all its property, plant and equipment recognised as at Apr 01, 2017 measured as per the previous IGAAP and use the carrying value as the deemed cost of the property, plant and equipment. The Company has followed the same accounting policy choice as initially adopted on transition date Apr 01, 2017 while preparing these financial statement.

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**Northern Arc Investment Managers Private Limited**

**Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

<b>10 Other non financial assets, unsecured considered good</b>			
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Prepaid expenses	408.90	526.79	575.48
Advance to supplier	0.23	0.01	0.13
Balances with government authorities	99.75	88.77	136.03
<b>Total</b>	<b>508.88</b>	<b>615.57</b>	<b>711.64</b>

<b>11 Trade payables*</b>			
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Trade payables (undisputed)	-	-	-
-Total outstanding dues to micro enterprises and small enterprises	-	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	218.20	349.10	58.17
<b>Total</b>	<b>218.20</b>	<b>349.10</b>	<b>58.17</b>

\*There are no disputed trade payables to MSME or others.

**Trade payables Ageing Schedule**

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	218.20	-	-	-	-	218.20
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
<b>Total</b>	<b>218.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218.20</b>

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	349.10	-	-	-	-	349.10
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
<b>Total</b>	<b>349.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>349.10</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	58.17	-	-	-	-	58.17
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
<b>Total</b>	<b>58.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58.17</b>

**Due to micro enterprises and small enterprises**

For the year ended 31 March 2025 (31 March 2024: NIL), there were no delays in payment to micro and small enterprises as required to be disclosed.

Under Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED'), the determination has been made to the extent such parties were identified by the Management based on the information available and are relied upon by the statutory auditors.



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**Northern Arc Investment Managers Private Limited**

**Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

<b>12 Borrowings (other than debt securities)</b>				
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023	
<b>Measured at amortised cost:</b>				
Term Loans				
- from non-banking finance company (secured)	7,560.84	-	-	
- from holding company (unsecured)	-	9,842.70	-	
- Structured cash credit from holding company (unsecured)	-	255.61	169.43	
<b>Total</b>	<b>7,560.84</b>	<b>10,098.31</b>	<b>169.43</b>	
<b>12.1 Geographical market</b>				
- in India	7,560.84	10,098.31	169.43	
- outside India	-	-	-	
<b>Total</b>	<b>7,560.84</b>	<b>10,098.31</b>	<b>169.43</b>	
<b>12.2 Details regarding terms of borrowings</b>				
<b>Loan Name</b>	<b>Sanction limit</b>	<b>Terms of Redemption</b>	<b>Interest rate</b>	<b>Maturity date</b>
Term loan from non-banking finance company	10,000.00	4 years	12.25% (floating)	30-Sep-28
Structured cash credit from holding company	10,000.00	NA	12.5% (fixed)	31-Oct-28
<b>12.3</b> Term loan from non-banking finance company is secured by hypothecation of current assets, non-current assets and movable fixed assets.				
<b>12.4</b> Interest is payable on monthly basis for both term loan and structured cash credit				
<b>12.5</b> During the year the Company has not defaulted in the repayment of dues				
<b>13 Other financial liabilities</b>				
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023	
Employee benefits payable	245.85	251.72	281.41	
Payable to related parties (also refer note 34)	203.23	263.35	492.44	
<b>Total</b>	<b>449.08</b>	<b>515.07</b>	<b>773.85</b>	
<b>14 Provisions</b>				
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023	
Provision for employee benefits:				
- Gratuity (refer note 31)	27.97	118.13	111.50	
- Compensated absences (refer note 31)	30.70	49.94	52.88	
<b>Total</b>	<b>58.67</b>	<b>168.07</b>	<b>164.38</b>	
<b>15 Other non-financial liabilities</b>				
	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023	
Statutory dues payable	173.55	130.67	129.52	
<b>Total</b>	<b>173.55</b>	<b>130.67</b>	<b>129.52</b>	

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16 Share capital

	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Authorised</b>			
1,500,000 (March 31, 2024: 500,000) equity shares of Rs 100/- each with voting rights	1,500.00	500.00	500.00
1,500,000 (March 31, 2024: 1,500,000) Redeemable preference Shares of Rs 100 each	1,500.00	1,500.00	1,500.00
	<b>3,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, subscribed and paid up</b>			
361,000 (March 31, 2024: 361,000) Equity shares of Rs 100/- each with voting rights	361.00	361.00	361.00
	<b>361.00</b>	<b>361.00</b>	<b>361.00</b>

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2025		As at March 31, 2024		As at Apr 1, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>						
At the commencement of the year	3,61,000	361.00	3,61,000	361.00	3,61,000	361.00
Add: Shares issued during the year	-	-	-	-	-	-
Less: Shares cancelled during the year	-	-	-	-	-	-
<b>At the end of the year</b>	<b>3,61,000</b>	<b>361.00</b>	<b>3,61,000</b>	<b>361.00</b>	<b>3,61,000</b>	<b>361.00</b>

b) Rights, preferences and restrictions attached to each class of shares

i) Equity shares

The Company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding. As per the records of the Company, including its register of shareholders/ members and other declaration received from the shareholders regarding beneficial interest, the shareholding represents both legal and beneficial ownership of shares

c) Shares held by holding/ ultimate holding company and /or their subsidiaries / associates:

	As at March 31, 2025		As at March 31, 2024		As at Apr 1, 2023	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
<b>Equity shares:</b>						
Northern Arc Capital Limited including its nominee share holders	3,61,000	100%	3,61,000	100%	3,61,000	100%

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

	As at March 31, 2025		As at March 31, 2024		As at Apr 1, 2023	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
<b>Equity shares:</b>						
Northern Arc Capital Limited including its nominee share holders	3,61,000	100%	3,61,000	100%	3,61,000	100%

e) Details of shares held by promoters

As at 31 March 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	No. of shares at the end of the year	% of Total Shares
Northern Arc Capital Limited	3,61,000	-	3,61,000	100%	3,61,000	100%

As at 31 March 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	No. of shares at the end of the year	% of Total Shares
Northern Arc Capital Limited	3,61,000	-	3,61,000	100%	3,61,000	100%

f) Aggregate number and class of shares allotted as fully paid-up pursuant to contract without payment being received in cash and bonus shares issued and shares bought back during the period of five years immediately preceding the current year

During the five years immediately preceding March 31, 2025, the Company has  
(i) not allotted any shares pursuant to contract without payment being received in cash,  
(ii) not issued any bonus shares,  
(iii) not carried out any buy back of shares.



17 Other equity

	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
a) Retained earnings			
At the commencement of the year	4,262.64	3,544.64	2,631.80
Add: Profit for the year	(512.90)	718.00	912.84
At the end of the year	3,749.74	4,262.64	3,544.64
b) Capital Redemption Reserve			
At the commencement of the year	722.00	722.00	722.00
Add: Additions for the year	-	-	-
At the end of the year	722.00	722.00	722.00
c) Other comprehensive income			
At the commencement of the year	40.67	30.99	41.96
Remeasurements of defined benefit asset/ (liability) (refer note (iii) below)	3.16	9.68	(10.97)
Closing balance	43.83	40.67	30.99
Total (a+b+c)	4,515.57	5,025.31	4,297.63

Nature and purpose of reserve

- (i) **Retained earnings**  
Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.
- (ii) **Capital Redemption Reserve**  
The capital redemption reserve was created on account of the redemption of the redeemable preference shares.
- (iii) **Other comprehensive income**  
Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.



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<b>18 Revenue from operations</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
<b>Revenue from contract with customers</b>		
Fee and commission income (refer note 34)	3,078.04	2,989.88
Interest income from financial instruments measured at FVTPL	1,539.07	712.35
Net gain on fair value change	-	121.54
<b>Total</b>	<b>4,617.11</b>	<b>3,823.77</b>
<b>Revenue from customers</b>		
- That are recognised over a certain period of time	-	-
- That are recognised at a point of time	4,617.11	3,823.77
<b>Geographical Market</b>		
- in India	4,617.11	3,823.77
- outside India	-	-
<b>Major products / service lines</b>		
Investment management and related services	4,617.11	3,823.77
<b>19 Other income</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Fund operating fee	428.98	430.50
Reimbursement of expenses	80.53	130.10
Interest on fixed deposits with banks	-	3.34
Recovery of assets written off	41.23	179.45
Interest on income tax refund	50.38	4.16
Other income	22.46	11.01
<b>Total</b>	<b>623.58</b>	<b>758.56</b>
<b>20 Finance cost</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Interest expenses on financial liabilities measured at amortised cost		
- Term loan	1,095.36	337.20
- Cash credit	22.27	25.87
Amortisation of fee expenses	8.84	-
<b>Total</b>	<b>1,126.47</b>	<b>363.07</b>
<b>21 Fee and commission expense</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Distribution expenses	641.54	918.40
<b>Total</b>	<b>641.54</b>	<b>918.40</b>
<b>22 Net loss on fair value changes</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Loss on fair value changes	1,759.54	-
<b>Total</b>	<b>1,759.54</b>	<b>-</b>
<b>23 Employee benefits expense</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Salaries, bonus and allowances	1,035.47	897.10
Contribution to provident and other funds (refer note 31)	66.33	60.65
Share based payments to employees (refer note 32)	1.29	39.97
Gratuity expense (refer note 31)	19.06	24.87
Staff welfare expenses	12.37	10.54
<b>Total</b>	<b>1,134.52</b>	<b>1,033.13</b>
<b>24 Depreciation and amortisation expense</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Depreciation of property, plant and equipment (refer note 9)	-	0.12
<b>Total</b>	<b>-</b>	<b>0.12</b>





**Northern Arc Investment Managers Private Limited**

Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

25 Other expenses		Year ended March 31, 2025	Year ended March 31, 2024
Legal and professional charges	663.88	799.07	
Less: Reimbursement of expense (refer note 25.1)	<u>92.63</u>	<u>571.25</u>	<u>171.84</u>
			627.23
Operating expenses (refer note 25.2)		323.31	338.92
Rent		77.77	65.76
Corporate social responsibility (refer note 25.4)		23.98	24.00
Traveling and conveyance		47.95	49.02
Director sitting fee		64.68	65.90
Communication expenses		6.33	4.85
Repairs and maintenance		22.45	9.27
Rates and taxes		0.46	19.33
Subscription charges		21.14	15.84
Auditors' remuneration (refer note 25.3)		4.12	4.28
Bank charges		1.38	1.07
Business promotion expenses		73.43	14.78
Provision for losses		3.10	-
Miscellaneous expenses		18.51	9.95
<b>Total</b>		<b><u>1,259.86</u></b>	<b><u>1,250.20</u></b>

25.1 Represents Legal and professional expense incurred on behalf of the following funds and reimbursed to the Company:

	Year ended March 31, 2025	Year ended March 31, 2024
Northern Arc Capital Limited	74.03	130.10
IFMR FImpact Long Term Multi Asset Class Fund	3.47	10.76
IFMR FImpact Long Term Credit Fund	15.13	20.61
IFMR FImpact Medium Term Opportunities Fund	-	5.61
IFMR FImpact Income Builder Fund	-	4.76
<b>Total</b>	<b><u>92.63</u></b>	<b><u>171.84</u></b>

25.2 Operating expenses includes expenses incurred on behalf of the fund :

	Year ended March 31, 2025	Year ended March 31, 2024
Legal and Professional charges	305.31	326.08
Audit Fee	18.00	12.84
<b>Total</b>	<b><u>323.31</u></b>	<b><u>338.92</u></b>

25.3 Auditors' remuneration (excluding goods and services tax)

	Year ended March 31, 2025	Year ended March 31, 2024
Statutory audit	3.00	3.50
Tax audit	1.00	0.50
Reimbursement of expenses	0.12	0.28
<b>Total</b>	<b><u>4.12</u></b>	<b><u>4.28</u></b>

25.4 Corporate social responsibility ("CSR") expenditure

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year	23.00	24.00
(b) Amount approved by the board to be spent during the year	23.98	24.00
(c) Amount spent during the year (in cash) :		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	23.98	24.00
(d) Contributions to Northern Arc Foundation (wholly owned subsidiary of the Company incorporated under section 8 of Companies Act, 2013)*	23.98	24.00
Details of other than ongoing project		
(e) Carry forward balances of CSR pre-spent*		
Opening balance - pre-spent / (shortfalls)	-	-
Amount required to be spent during the year	23.00	24.00
Amount spent during the year	23.98	24.00
Closing balance - pre-spent / (shortfalls)**	-	-

\* Contribution to Northern Arc Foundation has been spent on social activities.

\* The Company has not spent any amount on ongoing projects. Accordingly, no disclosures are made in this regard.

\*\* Excess contribution to CSR activities in a particular year cannot be carried forward to subsequent years.



**26 Income tax**

	Year ended March 31, 2025	Year ended March 31, 2024
Components of income tax expense		
<b>A Amount recognised in the Statement of Profit or Loss</b>		
Current tax expense		
Current period	299.43	225.30
Provision for earlier years	-	25.49
<b>Total current tax expense (A)</b>	<b>299.43</b>	<b>250.79</b>
Deferred tax (income) / expense		
Origination and reversal of temporary differences	(467.77)	48.62
<b>Deferred tax expense (B)</b>	<b>(467.77)</b>	<b>48.62</b>
<b>Income tax expense for the year</b>	<b>(168.34)</b>	<b>299.41</b>

**B Tax on amounts recognised in Other Comprehensive Income**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Items that will not be reclassified to profit or loss	1.06	3.26
<b>Total</b>	<b>1.06</b>	<b>3.26</b>

**C Reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Profit before tax</b>	<b>(681.24)</b>	<b>1,017.41</b>
Company's domestic tax rate (%)	25.168%	25.168%
<b>Tax using the Company's domestic tax rate</b>	<b>(171.45)</b>	<b>256.06</b>
<b>Tax effect on / of:</b>		
Tax impact of income not subject to deferred tax		
Provision for Employee benefits	0.32	10.06
Provision for CSR	6.04	6.04
Provision for loss assets	0.78	-
Stamp duty paid for increasing authorised capital	1.97	-
Penal interest	0.02	1.86
Others	(4.97)	28.65
<b>Total income tax expense / (benefit)</b>	<b>(167.28)</b>	<b>302.67</b>

**D Tax on amounts recognised in Other Comprehensive Income**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Effective tax rate	24.56%	29.75%

Note: The Company has elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Act, 2019. Accordingly, the Company has recognised provision for income tax and remeasured its net deferred tax asset at lower tax rate for the year ended March 31, 2025

**E Significant components and movement in deferred tax asset and liabilities**

	As at March 31, 2024	Expense / income recognised through profit or loss	Expense / income recognised through OCI	As at March 31, 2025
<b>Component of Deferred tax asset / (liability)</b>				
<b>Deferred tax assets</b>				
Property, plant and equipment	0.85	(0.33)	-	0.52
Provision for employee benefits	81.89	(46.60)	(1.06)	34.23
Fair value gain / loss and impairment of investments	(154.64)	514.70	-	360.07
<b>Total deferred tax assets</b>	<b>(71.89)</b>	<b>467.77</b>	<b>(1.06)</b>	<b>394.82</b>
<b>Deferred tax liabilities</b>				
Provision for impairment of financial instruments	-	-	-	-
<b>Total deferred tax liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>(71.89)</b>	<b>467.77</b>	<b>(1.06)</b>	<b>394.82</b>
	As at March 31, 2023	Statement of profit and loss	Other comprehensive income	As at March 31, 2024
<b>Component of Deferred tax asset / (liability)</b>				
<b>Deferred tax assets</b>				
Property, plant and equipment	1.36	(0.51)	-	0.85
Provision for employee benefits	41.39	43.76	(3.26)	81.89
<b>Total deferred tax assets</b>	<b>42.75</b>	<b>43.25</b>	<b>(3.26)</b>	<b>82.74</b>
<b>Deferred tax liabilities</b>				
Provision for impairment of financial instruments	(62.77)	(91.87)	-	(154.64)
<b>Total deferred tax liabilities</b>	<b>(62.77)</b>	<b>(91.87)</b>	<b>-</b>	<b>(154.64)</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>(20.02)</b>	<b>(48.62)</b>	<b>(3.26)</b>	<b>(71.89)</b>



## 27 Financial instruments

### A Fair value measurement

#### Valuation principles

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., exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

### B Measurement of fair values

#### Valuation methodologies of financial instruments not measured at fair value

##### Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy used is as follows:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. The fair value for investment in mutual funds are based on their respective net asset value ("NAV").

Level 2 — Inputs are other than quoted prices included within 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 are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### Fair value measurements

Financial measurements by category:

Particulars	Hierarchy level	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
		FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>							
(a) Cash and cash equivalents	*	-	62.42	-	0.02	-	30.80
(b) Receivables	*	-	813.66	-	1,077.77	-	1,424.87
(c) Investments							
Alternate Investment Funds	Level 2	11,178.59	-	14,374.13	-	3,335.51	-
Mutual Funds	Level 1	147.78	-	-	-	-	-
(d) Other financial assets	*	-	7.21	-	8.02	-	7.26
<b>Total financial assets</b>		<b>11,326.37</b>	<b>883.29</b>	<b>14,374.13</b>	<b>1,085.81</b>	<b>3,335.51</b>	<b>1,462.93</b>
<b>Financial liabilities</b>							
(a) Payables	*	-	218.20	-	349.10	-	58.17
(b) Borrowings	*	-	7,560.84	-	10,098.31	-	169.43
(c) Other financial liabilities	*	-	449.08	-	515.07	-	773.85
<b>Total financial liabilities</b>		<b>-</b>	<b>8,228.12</b>	<b>-</b>	<b>10,962.48</b>	<b>-</b>	<b>1,001.45</b>

\*Fair value of cash and cash equivalents, bank balance, trade & other receivables, other financial assets, trade payables, borrowings and other financial liabilities approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these categories of financial instruments have not been presented.

### C Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

1. The fair values for investment in mutual funds are based on their respective NAV. Hence investment in mutual funds have been categorised on Level 1.
2. The fair values for investment in Alternative Investment Fund are based on Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies.

### D Fair value of financial instruments measured at amortised cost

Fair value of financial assets and liabilities are equal to their carrying amount.

Note: During the periods mentioned above, there have been no transfers amongst the hierarchy levels.

#### Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company's adjusted net debt to equity ratio is as follows:

	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Total Borrowings	7,560.84	10,098.31	169.43
Less: cash and cash equivalents	(62.42)	(0.02)	(30.80)
<b>Adjusted net debt</b>	<b>7,498.42</b>	<b>10,098.29</b>	<b>138.63</b>
Total equity	4,876.57	5,386.31	4,658.63
<b>Gearing ratio</b>	<b>1.54</b>	<b>1.87</b>	<b>0.03</b>





## 28 Financial risk management objectives and policies

### Risk Management

The Company has exposure to the following risks arising from financial instruments:

- a) Market risk
  - i) Price and Interest risk
  - ii) Currency risk
- b) Credit risk
- c) Liquidity risk

The Company seeks to minimize potential adverse effects of these risks on its financial performance using various measures.

Risk		Exposure arising primarily from	Management
Market risk - Price risk and Interest risks	Note (a)	Investment in units of AIF	<p>i) Company is exposed to market price risk, which arises from FVTPL investments. management monitors the proportion of these investments in investment portfolio. Material investments within the portfolio are managed individual basis and all buy and sell decisions are approved by the appropriate authority.</p> <p>ii) Company is exposed to interest rate risk if the fair value of future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.</p>
Credit risk	Note (b)	Cash and cash equivalents, bank balance, trade receivables, other financial assets recognised at amortised cost	<p>Cash and cash equivalents, bank balance - deal with organisations with higher quality external credit ratings.</p> <p>Trade receivables - Realisation within a reasonable period</p> <p>Other financial assets at amortised cost - continuous monitoring and realisation within reasonable period</p>
Liquidity risk	Note (c)	Lease liabilities, trade payables and other obligations	Maintaining a significant portion of surplus in cash and cash equivalents and investments in units of mutual funds (refer note 29 - Maturity analysis of assets and liabilities) that can generally be liquidated at short notice

#### (a) Market risk - Price and Interest rate

(i) Price risk is the risk that the fair value or future cash flows of the financial instrument will fluctuate due to changes in market variables such as interest rates, credit ratings of underlying investments of mutual funds and alternative investment funds that the Company has invested in. The Company's exposure to price risk arises from its investments in units of mutual funds and units of alternative investment funds that are classified as financial assets at FVTPL.

Particulars	March 31, 2025	March 31, 2024	April 1, 2023
I) Investments in mutual fund units	147.78	-	-
II) Investments in Alternate Investment Fund	11,178.59	14,374.13	3,335.51

#### Sensitivity Analysis

The table sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices by 5%

Particulars	March 31, 2025	March 31, 2024	April 1, 2023
5% increase in the prices	566.32	718.71	166.78
5% decrease in the prices	(566.32)	(718.71)	(166.78)

(ii) Interest rate risk - The company has an outstanding borrowings as on March 31, 2025 which carries a fixed rate of interest. Therefore, the Company does not perceive any significant exposure to interest rate risk

#### (b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises principally from the Company's trade and other receivables, cash and cash equivalents, deposits with banks and financial assets measured at amortised cost.

#### Exposure to credit risk

The Company's financial assets subject to the credit loss model under IND AS 109 are cash and cash equivalents, bank balance, deposits with banks, trade and other receivables. The carrying amount of financial assets represents the maximum amount of credit risk exposure, which is aggregate of carrying amount of these financial assets measured at cost.

Particulars	March 31, 2025	March 31, 2024	April 1, 2023
Exposure to credit risk (refer column for amortised cost under financial assets section of table in Note 27)	883.29	1,085.81	1,462.93

Credit risk on cash and cash equivalents, is insignificant as counter parties are banks with higher quality external credit ratings. The trade and other receivables are generally realised within reasonable period. Further, the Company has not experienced any material bad debt from these assets in the past 5 years. Accordingly, credit risk exposure on trade receivables and other financial assets is considered negligible.



(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of sufficient liquid assets to meet obligations when due. Due to the nature of the business and its investments, the Company maintains sufficient flexibility in managing liquidity needs by withdrawal of fixed and / or redemption of its investments in units of mutual funds.

On a regular basis, Management monitors cash forecast of the Company's liquidity position on the basis of expected cash flows.

Furthermore, significant portion of the Company's revenues are earned from management fees, which are settled on a quarterly basis and, therefore are readily convertible into cash. Additionally, the financial assets (excluding bank balance held in escrow account) and financial liabilities of the Company as at March 31, 2025 are Rs. 12,209.66 lakh and Rs. 8,228.12 lakh respectively, resulting into surplus of Rs. 3,981.54 lakh of financial assets over financial liabilities. Accordingly, at this stage, the impact of liquidity risk on the Company is expected to be minimal.

The table below analyses the Company's financial liabilities into relevant maturity pattern based on their contractual maturities for all financial liabilities.

As at March 31, 2025	Carrying amount	Contractual cash flows	
Financial liabilities		Within 12 months	After 12 months
Borrowings	7,560.84	760.84	6,800.00
Payables	218.20	218.20	-
Other financial liabilities	449.08	449.08	-
<b>Total</b>	<b>8,228.12</b>	<b>1,428.12</b>	<b>6,800.00</b>

As at March 31, 2024	Carrying amount	Contractual cash flows	
Financial liabilities		Within 12 months	After 12 months
Borrowings	10,098.31	548.31	9,550.00
Payables	349.10	349.10	-
Other financial liabilities	515.07	515.07	-
<b>Total</b>	<b>10,962.48</b>	<b>1,412.48</b>	<b>9,550.00</b>

As at April 1, 2023	Carrying amount	Contractual cash flows	
Financial liabilities		Within 12 months	After 12 months
Borrowings	169.43	169.43	-
Payables	58.17	58.17	-
Other financial liabilities	773.85	773.85	-
<b>Total</b>	<b>1,001.45</b>	<b>1,001.45</b>	<b>-</b>

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**Northern Arc Investment Managers Private Limited**

Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**29 Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled

Particulars	As at March 31, 2025			As at March 31, 2024			As at April 1, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>									
<b>I. Financial assets</b>									
a) Cash and cash equivalents	62.42	-	62.42	0.02	-	0.02	30.80	-	30.80
b) Receivables									
i) Trade receivables	682.64	-	682.64	892.44	-	892.44	840.28	-	840.28
ii) Other receivables	131.02	-	131.02	185.33	-	185.33	584.59	-	584.59
c) Investments	784.16	10,542.21	11,326.37	2,789.80	11,584.33	14,374.13	219.84	3,115.67	3,335.51
d) Other financial assets	3.23	3.98	7.21	0.04	7.98	8.02	1.46	5.80	7.26
	<b>1,663.47</b>	<b>10,546.19</b>	<b>12,209.66</b>	<b>3,867.63</b>	<b>11,592.31</b>	<b>15,459.94</b>	<b>1,676.97</b>	<b>3,121.47</b>	<b>4,798.44</b>
<b>II. Non-financial assets</b>									
a) Current tax assets (net)	-	223.55	223.55	-	643.91	643.91	-	463.80	463.80
b) Deferred tax assets (net)	-	394.82	394.82	-	-	-	-	-	-
c) Property, plant and equipment	-	-	-	-	-	-	-	0.12	0.12
d) Other non-financial assets	322.18	186.70	508.88	352.64	262.93	615.57	411.21	300.43	711.64
	<b>322.18</b>	<b>805.07</b>	<b>1,127.25</b>	<b>352.64</b>	<b>906.84</b>	<b>1,259.48</b>	<b>411.21</b>	<b>764.35</b>	<b>1,175.56</b>
<b>Total assets</b>	<b>1,985.65</b>	<b>11,351.26</b>	<b>13,336.91</b>	<b>4,220.27</b>	<b>12,499.15</b>	<b>16,719.42</b>	<b>2,088.18</b>	<b>3,885.82</b>	<b>5,974.00</b>
<b>Liabilities</b>									
<b>I. Financial liabilities</b>									
a) Payables									
i) Trade payables	218.20	-	218.20	349.10	-	349.10	58.17	-	58.17
ii) Borrowings	760.84	6,800.00	7,560.84	548.31	9,550.00	10,098.31	169.43	-	169.43
ii) Other financial liabilities	449.08	-	449.08	515.07	-	515.07	773.85	-	773.85
	<b>1,428.12</b>	<b>6,800.00</b>	<b>8,228.12</b>	<b>1,412.48</b>	<b>9,550.00</b>	<b>10,962.48</b>	<b>1,001.45</b>	<b>-</b>	<b>1,001.45</b>
<b>II. Non-financial liabilities</b>									
a) Provisions	35.17	23.50	58.67	60.84	107.23	168.07	27.66	136.72	164.38
b) Deferred tax liabilities (net)	-	-	-	-	71.89	71.89	-	20.02	20.02
c) Other non-financial liabilities	173.55	-	173.55	130.67	-	130.67	129.52	-	129.52
	<b>208.72</b>	<b>23.50</b>	<b>232.22</b>	<b>191.51</b>	<b>179.12</b>	<b>370.63</b>	<b>157.18</b>	<b>156.74</b>	<b>313.92</b>
<b>Total liabilities</b>	<b>1,636.84</b>	<b>6,823.50</b>	<b>8,460.34</b>	<b>1,603.99</b>	<b>9,729.12</b>	<b>11,333.11</b>	<b>1,158.63</b>	<b>156.74</b>	<b>1,315.37</b>

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**30 Contingent Liabilities and capital commitments (to the extent not provided for)**

Claims against the Company not acknowledged as debt  
- Income tax related matters

As at March 31, 2025 As at March 31, 2024

- -

**31 Employee Benefits**

The Company has classified various benefits provided to its employees as under:

As at March 31, 2025 As at March 31, 2024

**(I) Defined contribution plans**

- (a) Provident Fund  
(b) Employee State Insurance

57.59 48.48  
- -

**(II) Defined Benefit Plans**

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed 4 years and 190 days of service is entitled to specific benefits. The level of benefits provided depends on the employee's length of service and salary at retirement age.

**Details of actuarial valuation of gratuity pursuant to the Ind AS 19****A. Change in present value of**

Present value of obligations at the beginning of the year

Interest cost

Current service cost

Past service cost

Transfer in-value of obligations

Benefits settled

Actuarial (gain)/ loss

Present value of obligations at the end of the year

March 31, 2025	March 31, 2024
118.13	111.50
4.56	7.78
14.51	16.52
-	0.58
19.71	-
(124.72)	(5.31)
(4.22)	(12.94)
27.97	118.13

**B. Change in plan assets**

Fair value of plan assets at the beginning of the year

Expected return on plan assets

Actuarial gain/ (loss)

Employer contributions

Benefits settled

Fair value of plan assets at the end of the year

March 31, 2025	March 31, 2024
-	-
-	-
-	-
124.72	5.31
(124.72)	(5.31)
-	-

**C. Actual Return on plan assets**

Expected return on plan assets

Actuarial gain/ (loss) on plan assets

Actual return on plan assets

March 31, 2025	March 31, 2024
-	-
-	-
-	-

**D. Reconciliation of present value of the obligation and the fair value of the plan assets**

Change in projected benefit obligation

Present value of obligations at the end of the year

Fair value of plan assets

Net liability recognised in balance sheet

March 31, 2025	March 31, 2024
27.97	118.13
-	-
27.97	118.13

**E. Expense recognised in statement of profit and loss**

Gratuity cost charged to profit or loss

Current service cost

Interest on obligation

Past service cost

Expected return on plan assets

Year ended March 31, 2025	Year ended March 31, 2024
14.51	16.52
4.56	7.78
-	0.57
-	-
19.07	24.87

**F. Remeasurement gains/(losses) in other comprehensive income**

Net actuarial (gain)/ loss recognised in the year

Transfer from holding company (on account of employee transfer)

Total included in 'employee benefits'

Year ended March 31, 2025	Year ended March 31, 2024
(4.22)	(12.94)
-	-
(4.22)	(12.94)

**G. Assumptions at balance**

Discount rate

Salary escalation

Mortality rate

Attrition rate

Notes:

- a) The estimates in future salary increases, considered in actuarial valuation, takes account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employee market.
- b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.



31 Employee benefits (continued)

H. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Year ended March 31, 2025		Year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	27.66	28.28	115.47	120.92
Future salary growth (1% movement)	28.40	27.54	121.39	114.97
Attrition Rate (1% movement)	27.90	28.04	117.93	118.34

I. Maturity analysis of benefit payments

Particulars	March 31, 2025	March 31, 2024
Expected benefits for year 1	17.42	38.85
Expected benefits for year 2	7.22	28.01
Expected benefits for year 3	3.14	20.89
Expected benefits for year 4	1.31	15.49
Expected benefits for year 5	0.62	21.28
Next five years	0.40	13.40

J. The liability for compensated absences recognized under

Particulars	As at March 31, 2025	As at March 31, 2024
Non current employee benefit obligations (Refer note 14)	11.91	31.54
Current employee benefit obligations (Refer note 14)	18.79	18.40
Total	30.70	49.94

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32 Employee stock option plan (ESOP)

**Northern Arc Employee Stock Option Scheme 2016 – ("Scheme I")**

The scheme was approved by special resolution passed on Oct 7, 2016 by the shareholders of the holding company at the Extraordinary General Meeting. The Northern Arc Capital Employee Stock Option Scheme 2016 is applicable to all eligible employees of the Company and its subsidiaries. The options were issued on Mar 1, 2017, with an exercise price of Rs. 10. The options vests over a period of 4 years in 40:20:20:20 proportion.

**Northern Arc Capital Employee Stock Option Scheme 2016 – ("Scheme II")**

The scheme was approved by special resolution passed on Oct 7, 2016 by the shareholders of the holding company at the Extraordinary General Meeting. The Northern Arc Capital Employee Stock Option Scheme 2016 is applicable to all eligible employees of the Company and its subsidiaries. The options were issued in two batches, with an exercise price ranging between Rs. 110 to Rs. 121. The options vests equally over a period of 5 years.

**Northern Arc Employee Stock Option Plan 2018 – ("Scheme III")**

The scheme was approved by special resolution passed on Jul 25, 2018 by the shareholders of the holding company at the Extraordinary General Meeting. The Northern Arc Capital Employee Stock Option Scheme 2018 is applicable to all eligible employees of the Company and its subsidiaries. The options were issued on Jul 28, 2018, with an exercise price ranging between Rs. 181 to Rs. 275. The options vests over a period of 4 years in 30:30:40 proportion.

**Northern Arc Employee Stock Option Scheme 2022 – ("Scheme- IV")**

The scheme was approved by special resolution passed on Sep 13, 2023 by the shareholders of the holding company at the Extraordinary General Meeting. The Northern Arc Capital Employee Stock Option Scheme 2023 is applicable to all eligible employees of the Company and its subsidiaries. The options were issued in two batches, with an exercise price of Rs. 275. The options vests equally over a period of 4 years.

**Northern Arc Employee Stock Option Scheme 2023 – ("Scheme- II B")**

The scheme was approved by special resolution passed on Sep 13, 2023 by the shareholders of the holding company at the Extraordinary General Meeting. The Northern Arc Capital Employee Stock Option Scheme 2023 is applicable to all eligible employees of the Company and its subsidiaries. The options were issued on Sep 9, 2021, with an exercise price of Rs. 275. The options vests equally over a period of 5 years.

**Northern Arc Employee Stock Option Scheme 2023 – ("Scheme- IVB")**

The scheme was approved by special resolution passed on Sep 13, 2023 by the shareholders of the holding company at the Extraordinary General Meeting. The Northern Arc Capital Employee Stock Option Scheme 2023 is applicable to all eligible employees of the Company and its subsidiaries. The options were issued in multiple batches, with an exercise price of Rs. 275. The options vests equally over a period of 4 years.

**Options outstanding under various Schemes**

Plan	As at March 31, 2025					
	Scheme I	Scheme II	Scheme III	Scheme IV	Scheme IIB	Scheme IVB
Grant date	Various	Various	Various	Various	Various	Various
Number of options	-	3,34,000	1,66,699	1,18,000	35,000	90,000
Exercise price in Rs.	10	110 to 121	181 to 275	275	275	275
Vesting period	1 to 4 years	1 to 5 years	1 to 3 years	1 to 4 years	1 to 5 years	1 to 4 years
Option Price	113.65	39.28-40.89	92.33	65.74	-	128.88-144.82
Weighted average exercise price in Rs.	10.00	134.70	190.75	275.00	275.00	275.00
Weighted average remaining contractual life (in years)	-	-	-	1.76	-	1.75
Vesting condition	Time based vesting					

Plan	As at March 31, 2024				
	Scheme I	Scheme II	Scheme III	Scheme IIB	Scheme IVB
Grant date	Various	Various	Various	Various	Various
Number of options	-	1,95,000	2,29,734	51,000	85,000
Exercise price in Rs.	10	110 to 275	181 to 188	275	275
Vesting period	1 to 4 years	1 to 5 years	1 to 3 years	1 to 5 years	1 to 4 years
Option Price	113.65	39.28-40.89	65.77-92.33	160.14	128.88-136.04
Weighted average exercise price in Rs.	10.00	89.48	192.32	275.00	275.00
Weighted average remaining contractual life (in years)	-	-	0.18	5	1.58
Vesting condition	Time based vesting				

**Reconciliation of outstanding options**

The details of options granted under the above schemes are as follows.

Particulars	Number of options	
	As at March 31, 2025	As at March 31, 2024
Outstanding at beginning of year	5,60,734	3,54,518
Forfeited during the year	1,30,000	5,100
Exercised during the year	1,81,366	24,000
Granted during the year	1,58,000	2,35,316
Transfer from holding company	3,36,331	-
Outstanding as at end of year	7,43,699	5,60,734
Vested and exercisable as at end of year	-	-

**Fair value methodology**

The fair value of options have been estimated on the dates of each grant using the Black-Scholes model. Accordingly, the holding company had considered the volatility of the stock price based on historical volatility of similar listed enterprises. The various inputs considered in the pricing model for the stock options granted by the Company during the year are as follows:

	As at March 31, 2025	As at March 31, 2024
Dividend yield	-	-
Historical Volatility Estimate	37.96% - 39.33%	48.34%
Risk free interest rate	6.87%	5.66%
Expected life of the option (in years)	3.00	5.1-5.5

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black - Scholes Model is the annualised standard deviation of the continuously compounded rates Of return on the stock over a period of time.





**33 Segment reporting****Operating segments**

The Company's operations predominantly relate to managing Alternative investment funds. The information relating to this operating segment is reviewed regularly by the Company's Board of Directors (Chief Operating Decision Maker) to make decisions about resources to be allocated and to assess its performance. The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated operating segments. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments.

The Company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per IND AS 108 Operating Segments.

**34 Related party disclosures**

Related party relationships and transactions are as identified by the management.

**Holding Company :**

Northern Arc Capital Limited

**Fellow Subsidiaries :**

Northern Arc Investment Adviser Services Private Limited

Northern Arc Securities Private Limited

Pragati Finserv Limited

Northern Arc Foundation

**Member of Group (Associate of holding company)**

Northern Arc Emerging Corporates Bond Fund

**Key management personnel**

Kshama Fernandes, Executive non-independent Chairperson

Ashish Mehrotra, Non-executive Director

Chaitanya Pande, Non-executive Director

Theodoor Brouwers, Non-executive Director up to Oct 20, 2024

Nicholas Anthony Moon, Non-executive Director up to May 1, 2024

Bhavdeep Chandrakant Bhat, Chief Executive Officer since Jun 12, 2024

Ravi Vukkadala, Chief Executive Officer up to Jun 11, 2024

Vishal Garg, Chief Financial Officer since Jul 28, 2023\*

Kalyanasundaram C, Chief Financial Officer up to Jul 27, 2023\*

\* Remuneration is paid by the holding company to the Chief Financial Officer

**A Transaction with related parties during the year:**

Related Party	Transaction	As at	As at
		March 31, 2025	March 31, 2024
Northern Arc Capital Limited	Interest expense	624.67	363.07
	Fee expenses	368.48	404.12
	Reimbursement of expenses	74.03	130.10
	Loans taken	3,421.77	14,261.28
	Loans repaid	13,226.02	4,332.41
	ESOP issued	1.29	39.97
	Purchase of Class A units of IFMR FImpact Long Term Credit Fund	-	2,070.43
	Purchase of Class A units of Northern Arc India Impact Fund	-	6,514.14
	Purchase of Class A units of Northern Arc Income Builder Fund-Series II	-	1,437.63
Northern Arc Foundation	Corporate social responsibility ("CSR") expenditure	23.98	24.00
Northern Arc Emerging Corporate Bond Fund	Investment in Class A4 units	200.00	100.00
	Investment in Class A5 units	2,000.00	-
	Investment in Class A7 units	2,150.00	1,500.00
	Investment in Class B units	-	500.00
	Fee income	865.59	443.63
	Income from investment in AIF	65.84	53.69
	Fund operating fee	126.65	63.01
Kshama Fernandes	Remuneration*	200.00	130.30
Bhavdeep Chandrakant Bhatt	Remuneration*	135.08	-
Ravi Vukkadala	Remuneration*	29.85	201.54

\* Amount attributable to post employment benefits have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.



**Northern Arc Investment Managers Private Limited**

**Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**B Outstanding balances with related parties as on balance sheet date:**

Related Party	Outstanding balances	As at	As at
		March 31, 2025	March 31, 2024
Northern Arc Capital Limited	Equity share capital	361.00	361.00
	Payable towards shared service cost	201.94	225.86
	Borrowings	-	10,098.31
	Other receivables	19.71	58.50
	ESOP payable	1.29	37.49
Northern Arc Emerging Bond Fund	Investment in class B(FV)	523.18	524.28
	Fee income receivable	183.55	172.88
	Fund operating fee receivable	28.37	24.53
Bhavdeep Chandrakant Bhatt	Employee stock option (in units)	1,10,000	-
Ravi Vukkadala	Employee stock option (in units)	-	2,16,568
Kshama Fernandes	Employee stock option (in units)	8,11,037	4,38,666

**C The Company has been appointed as the investment manager**

- a) by the Trustee of IFMR Fimcap Long Term Credit Fund ("the Fund"), Axis Trustee Services Limited, for which the Company receives management fee of 1.50% per annum on the capital committed by the Class A and Class B unit holders of the Fund and disclosed as 'Fee income' under Note 18.
- b) by the Trustee of Northern Arc Money Market Alpha Fund ("the Fund"), Axis Trustee Services Limited, for which the Company receives management fee of 0.40%, 0.974%, 0.40%, 0.70%, 0.50%, 0.974%, 0.70% and 0.40% per annum on the Assets under management of the Class A, Class A1, Class A2, Class A3, Class A4, Class A5, Class A6 and Class B unit holders of the Fund respectively and disclosed as 'Fee Income' under Note 18.
- c) by the Trustee of Northern Arc India Impact Fund ("the Fund"), Axis Trustee Services Limited, for which the Company receives management fee of 1.50%, 1.50%, 1.00%, 1.00% and 1.24% per annum on the Assets under management of the Class A, Class B1, Class B4, Class B6 and Class B7 unit holders of the Fund respectively and disclosed as 'Fee Income' under Note 18.
- d) by the Trustee of Northern Arc Income Builder Fund Series II ("the Fund"), Axis Trustee Services Limited, for which the Company receives management fee of 1.5% per annum on the capital committed by the Class A and Class B unit holders of the Fund and disclosed as 'Fee Income' under Note 18.
- e) by the Trustee of Northern Arc Emerging Corporate Bond Fund ("the Fund"), AmicorpTrustee India Private Limited, for which the Company receives management fee of 1.5%, 1.25%, 1.00%, 1.5%, 1.25%, 1.00% 1.75% and 1.00% per annum on the capital committed by the Class A1, Class A2, Class A3, Class A4, Class A5, Class A6, Class A7 and Class B unit holders of the Fund respectively and disclosed as 'Fee Income' under Note 18.
- f) by the Trustee of Northern Arc Finserv Fund ("the Fund"), Mitcon Credentia Trusteeship Services Limited, for which the Company receives management fee of 1.25%, 1.15%, 1.75%, 1.5% and 1.25% per annum on the capital committed by the Class A1, Class A2, Class A3, Class A4, and Class B unit holders of the Fund respectively and disclosed as 'Fee Income' under Note 18.
- g) by the Trustee of Northern Arc Fintech NBFC Fund I ("the Fund"), Mitcon Credentia Trusteeship Services Limited, for which the Company receives management fee of 0.50%, and 0.50% per annum on the capital committed by the Class A and Class B unit holders of the Fund respectively and disclosed as 'Fee Income' under Note 18.
- h) by the Trustee of IFMR Fimcap Long Term Multi Asset Class Fund ("the Fund"), Axis Trustee Services Limited, for which the Company receives management fee of 1.50%, per annum on the capital committed by the Class A and Class B unit holders of the Fund respectively and disclosed as 'Fee Income' under Note 18. The Company has not earned any management fees from the Fund during the financial year ended March 31, 2025.

**35 Earnings per share – Basic and Diluted:**

Particulars	Year ended	Year ended
	March 31, 2025	March 31, 2024
<b>Earnings/ (loss)</b>		
Net profit/ (loss) attributable to equity shareholders for calculation of basic EPS	(512.90)	718.00
Net profit/ (loss) attributable to equity shareholders for calculation of diluted EPS	(512.90)	718.00
<b>Shares</b>		
Equity shares at the beginning of the year	3,61,000	3,61,000
Shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	3,61,000	3,61,000
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	3,61,000	3,61,000
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	3,61,000	3,61,000
Face value per share	100.00	100.00
<b>Earning per share</b>		
Basic (in rupees)	(142.08)	198.89
Diluted (in rupees)	(142.08)	198.89



## 36 Analytical Ratios

Ratios	Numerator	Denominator	March 31, 2025	% variance
(a) Capital to risk-weighted assets ratio (CRAR)*	-	-	-	-
(b) Tier I CRAR *	-	-	-	-
(c) Tier II CRAR *	-	-	-	-
(d) Liquidity Coverage Ratio (no-of times) [Total Financial Assets (within 12 months)/Total Financial Liabilities (within 12 months)]	1,663.47	1,428.12	1.16	-57%
This has idecreased as Financial asset balances and specifically, investments which are maturing within 12 months from the reporting date including new purchases, have changed.				

Ratios	Numerator	Denominator	March 31, 2024	% variance
(a) Capital to risk-weighted assets ratio (CRAR)*	-	-	-	-
(b) Tier I CRAR *	-	-	-	-
(c) Tier II CRAR *	-	-	-	-
(d) Liquidity Coverage Ratio (no-of times) [Total Financial Assets (within 12 months)/Total Financial Liabilities (within 12 months)]	3,867.63	1,412.48	2.74	64%
This has increased as Financial asset balances and specifically, investments which are maturing within 12 months from the reporting date including new purchases, have changed.				

Ratios	Numerator	Denominator	March 31, 2023	% variance
(a) Capital to risk-weighted assets ratio (CRAR)*	-	-	-	-
(b) Tier I CRAR *	-	-	-	-
(c) Tier II CRAR *	-	-	-	-
(d) Liquidity Coverage Ratio (no-of times) [Total Financial Assets (within 12 months)/Total Financial Liabilities (within 12 months)]	1,676.97	1,001.45	1.67	-55%
This has decreased as Financial asset balances and specifically, investments which are maturing within 12 months from the reporting date including new purchases, have changed.				

\* Note: Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Company.

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**Northern Arc Investment Managers Private Limited**

**Summary of material accounting policies and other explanatory information to the financial statements as at and for the year ended March 31, 2025**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**37 Other Statutory Information**

- a The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b The Company is not declared as wilful defaulter by any bank of financial institution or other lender.
- c The Company has not entered into any transaction with Company struck off under section 248 of the Companies Act, 2013.
- d The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- e The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- f There Company has not provided any loans to directors or has investments made or given guarantees and securities in respect provisions of Section 185 and 186 of the Companies Act 2016.
- g 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 persons or entities, 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)
- h 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.
- i The Company does not have any transactions which were not recorded in the books of account, but offered as income during the year in the income tax assessment.
- j The Company is maintaining its book of account in electronic mode and these books of account are accessible at all times and the back-up of books of account has been kept in servers physically located in India on a daily basis from the applicability date of the Accounts Rules, i.e. August 5, 2022 onwards.
- k The Ministry of Corporate Affairs (MCA) has prescribed a 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 Company, in respect of financial year commencing on 1 April 2024, have used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the softwares. Further, there were no instance of audit trail feature being tampered with during the year. The audit trail has been preserved by the Company as per the statutory requirements for record retention.
- l The Company has not declared/ paid any dividend during the year.
- m The Company has not entered into any scheme of arrangement.
- n The Company does not have any step down subsidiaries hence compliance of layer of companies are not applicable.
- o Presentation of financial statements - "The Ministry of Corporate Affairs (MCA), vide its notification dated October 11, 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) Rules 2015. The Company being NBFC is required to prepare the financial statements in accordance with Division III of Schedule III of the Act.
- Accordingly, the corresponding figures as at 01 April 2023 and as at and for the year ended March 2024 have been restated in accordance with the requirements of Ind AS 8 to correct the presentation error in the reported financial statements for the year ended 31 March 2024. Consequent to such correction of error, there has been no impact on the reported loss, total comprehensive income, earnings per share for the year ended 31 March 2024 and total equity as at 31 March 2024 or 1 April 2023.

As per our report of even date attached

**For Walker Chandio & Co LLP**

*Chartered Accountants*

ICAI Firm's Registration No. 001076N/N500013

**Murad D. Daruwalla**

*Partner*

ICAI Membership No. 043334



Place : Mumbai

Date : May 14, 2025

**For and on behalf of the Board of Directors of**

**Northern Arc Investment Managers Private Limited**

CIN: U74120TN2014PTC095064

**Ashish Mehrotra**

*Director*

DIN:07277318

Place : Mumbai

Date : May 14, 2025

**Bhavdeep Chandrakant Bhatt**

*Chief Executive Officer*

Place : Mumbai

Date : May 14, 2025

**Kshama Fernandes**

*Director*

DIN:02539429

Place : Mumbai

Date : May 14, 2025

**Vishal Garg**

*Chief Financial Officer*

Place : Mumbai

Date : May 14, 2025

