
Walker ChandioK & Co LLP

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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 2026**, 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 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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.

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

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Director's 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

5. 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.
6. 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.
7. 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

8. 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.
9. 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;
 - 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;
 - 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.
10. 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.

Report on Other Legal and Regulatory Requirements

11. 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.
12. 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 A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, 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 2026 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and



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

- 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 2026;
 - 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 2026;
 - 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 2026;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41 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 or entity, 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 42 to the financial statements, no funds have been received by the Company from any person or entity, 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 2026.
 - vi. As stated in note 44 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on or after 1 April 2025, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. 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 Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Murad D. Daruwalla
Partner
Membership No.: 043334

UDIN: 26043334CCZCFA2803

Place: Mumbai
Date: 04 May 2026



Annexure A referred to in paragraph 12 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 2026

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 adopted cost model for its Property, Plant and Equipment. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (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.



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

- (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, 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 confirmations received from financial institution and 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.



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

- (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 sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, 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.
- (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 no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (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, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.



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

- (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: 26043334CCZCFA2803

Place: Mumbai
Date: 04 May 2026



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

Annexure B 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 2026

Independent Auditor's Report on the internal financial controls with reference to the 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 2026**, 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 ('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 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 .

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 2026, 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 ICAI.

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

Murad D. Daruwalla
Partner
Membership No.: 043334

UDIN: 26043334CCZCFA2803

Place: Mumbai
Date: 04 May 2026



Northern Arc Investment Managers Private Limited

Balance sheet as at 31 March 2026

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

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Assets			
Financial assets			
Cash and cash equivalents	4	3.80	62.42
Receivables	5		
Trade receivables		823.42	682.64
Other receivables		161.26	131.02
Investments	6	9,913.03	11,326.37
Other financial assets	7	3.33	7.21
Total financial assets		10,904.84	12,209.66
Non-financial assets			
Current tax assets (net)	8	-	223.55
Deferred tax assets (net)	27	709.87	394.82
Property, plant and equipment	9	-	-
Other non-financial assets	10	331.42	508.88
Total non-financial assets		1,041.29	1,127.25
Total assets		11,946.13	13,336.91
Liabilities and Equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables	11	-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		189.47	218.20
Borrowings (other than debt securities)	12	5,996.86	7,560.84
Other financial liabilities	13	439.31	449.08
Total financial liabilities		6,625.64	8,228.12



Northern Arc Investment Managers Private Limited

Balance sheet as at 31 March 2026

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

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Non-financial liabilities			
Provisions	14	45.69	58.67
Current tax liabilities (net)	15	80.70	-
Other non-financial liabilities	16	113.68	173.55
Total non-financial liabilities		240.07	232.22
Equity			
Equity share capital	17	361.00	361.00
Other equity	18	4,719.42	4,515.57
Total equity		5,080.42	4,876.57
Total liabilities and equity		11,946.13	13,336.91

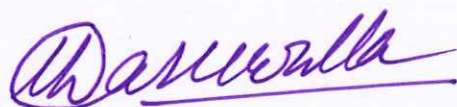
The accompanying notes form an integral part of these financial statements

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 : 04 May 2026



For and on behalf of the Board of Directors of

Northern Arc Investment Managers Private Limited

CIN: U74120TN2014PTC095064



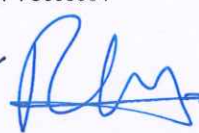
Ashish Mehrotra

Director

DIN:07277318

Place : Mumbai

Date : 04 May 2026



Pardhasaradhi Rallabhandhi

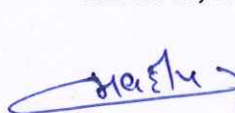
Director

DIN:10054672

Place : Mumbai

Date : 04 May 2026





Bhavdeep Chandrakant Bhatt

Chief Executive Officer

Place : Mumbai

Date : 04 May 2026



Vishal Garg

Chief Financial Officer

Place : Mumbai

Date : 04 May 2026



Dhiraj Ramasaw Gupta

Company Secretary

Place : Mumbai

Date : 04 May 2026

M.No. F13432

Northern Arc Investment Managers Private Limited
Statement of profit and loss for the year ended 31 March 2026
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations	19		
Interest income		1,323.69	1,539.07
Fee and commission income		3,281.52	3,078.04
Total revenue from operations		4,605.21	4,617.11
Other income	20	657.85	623.58
Total income		5,263.06	5,240.69
Expenses			
Finance costs	21	878.46	1,126.47
Fee and commission expense	22	621.19	641.54
Net loss on fair value changes	23	1,075.85	1,759.54
Employee benefit expenses	24	1,373.54	1,134.52
Depreciation and amortisation expense	25	-	-
Other expenses	26	1,007.95	1,259.86
Total expenses		4,956.99	5,921.93
Profit / (loss) before tax		306.07	(681.24)
Tax expense	27		
Current tax		402.82	299.43
Deferred tax income		(311.41)	(467.77)
Total tax expenses		91.41	(168.34)
Profit / (loss) for the year		214.66	(512.90)



Northern Arc Investment Managers Private Limited
Statement of profit and loss for the year ended 31 March 2026
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of (loss) / gain for defined benefit plan		(14.45)	4.22
Deferred tax credit / (charge) on remeasurement of the defined benefit plan		3.64	(1.06)
Other comprehensive (loss) / income for the year		(10.81)	3.16
Total comprehensive income / (loss) for the year		203.85	(509.74)
Earnings per equity share (Nominal Value - ₹ 100/ Share)			
	32		
Basic (in ₹)		59.46	(142.08)
Diluted (in ₹)		59.46	(142.08)

The accompanying notes form an integral part of these financial statements

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/N500013



Murad D. Daruwalla

Partner

ICAI Membership No. 043334

Place : Mumbai

Date : 04 May 2026



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 : 04 May 2026



Pardhasaradhi Rallabhandhi

Director

DIN:10054672

Place : Mumbai

Date : 04 May 2026




Bhavdeep Chandrakant Bhatt

Chief Executive Officer

Place : Mumbai

Date : 04 May 2026



Vishal Garg

Chief Financial Officer

Place : Mumbai

Date : 04 May 2026



Dhiraj Ramasaw Gupta

Company Secretary

Place : Mumbai

Date : 04 May 2026

M.No. F13432

Northern Arc Investment Managers Private Limited

Statement of cash flows for the year ended 31 March 2026

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

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Cash flow from operating activities			
Profit / (loss) before tax		306.07	(681.24)
Adjustments for:			
Interest on income tax refund	20	(14.33)	(50.38)
Interest income	19	(1,323.69)	(1,539.07)
Net loss on fair value changes	23	1,075.85	1,759.54
Finance costs	21	878.46	1,126.47
Operating profit before working capital changes		922.36	615.32
Changes in working capital:			
(Increase) / Decrease in trade and other receivables		(171.02)	264.11
Decrease in other financial assets		3.88	0.81
Decrease in other non-financial assets		177.46	106.69
(Decrease) in trade payables		(28.73)	(130.90)
(Decrease) in other financial liabilities		(9.77)	(65.99)
(Decrease) in provisions		(27.43)	(105.18)
(Decrease) / Increase in other non-financial liabilities		(59.87)	42.88
Cash generated from operations		806.88	727.74
Taxes paid, net of refunds		(71.49)	171.31
Net cash generated from operating activities	(A)	735.39	899.05
Cash flows from investing activities			
Purchase of investments		(5,342.29)	(3,731.00)
Sale or redemption of investments		5,756.71	5,227.65
Interest received from investments		1,234.00	1,330.63
Net cash generated from investing activities	(B)	1,648.43	2,827.28



Northern Arc Investment Managers Private Limited
Statement of cash flows for the year ended 31 March 2026
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Cash flow from financing activities			
Proceeds from borrowings		1,207.01	11,382.61
Repayment of borrowings		(2,787.01)	(13,920.07)
Interest paid		(862.44)	(1,126.47)
Net cash (used in) financing activities	(C)	(2,442.44)	(3,663.93)
Net (decrease) / increase in cash and cash equivalents	(A+B+C)	(58.62)	62.40
Cash and cash equivalents at the beginning of the year		62.42	0.02
Cash and cash equivalents at the end of the year		3.80	62.42
Cash and cash equivalents comprise of balances with banks:			
Balances with banks			
In current accounts		3.80	62.42
Cash and cash equivalents		3.80	62.42

The accompanying notes form an integral part of these financial statements

This is the statement of cashflow referred to in our report of even date

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

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



Murad D. Daruwalla

Partner

ICAI Membership No. 043334
Place : Mumbai
Date : 04 May 2026



Ashish Mehrotra

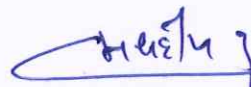
Director

DIN:07277318
Place : Mumbai
Date : 04 May 2026



**Pardhasaradhi
Rallabhandhi**
Director

DIN:10054672
Place : Mumbai
Date : 04 May 2026

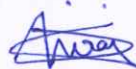


**Bhavdeep
Chandrakant Bhatt**
Chief Executive
Officer

Place : Mumbai
Date : 04 May 2026




Vishal Garg
Chief Financial Officer
Place : Mumbai
Date : 04 May 2026



Dhiraj Ramasaw Gupta
Company Secretary
Place : Mumbai
Date : 04 May 2026

M.No. F13432



Northern Arc Investment Managers Private Limited
Statement of changes in equity for the year ended 31 March 2026
 (All amounts are in Indian Rupees in lakhs, unless otherwise stated)

A. Equity share capital	Particulars	As at 31 March 2026		As at 31 March 2025	
		No. of shares	Amount	No. of shares	Amount
	Equity share of Rs. 100 each issued, subscribed and fully paid up				
	Opening balance	361,000	361.00	361,000	361.00
	Add: Issued during the year	-	-	-	-
	Closing balance	361,000	361.00	361,000	361.00
	Total	361,000	361.00	361,000	361.00

B. Other equity	Particulars	Reserves and Surplus		Total	
		Capital redemption reserve	Retained earnings		
	Balances as at 01 April 2024	722.00	4,303.31	5,025.31	
	(Loss) for the year	-	(512.90)	(512.90)	
	Other comprehensive income	-	3.16	3.16	
	Balances as at 31 March 2025	722.00	3,793.57	4,515.57	
	Profit for the year	-	214.66	214.66	
	Other comprehensive (loss)	-	(10.81)	(10.81)	
	Balances as at 31 March 2026	722.00	3,997.42	4,719.42	

The accompanying notes form an integral part of these financial statements
 This is the statement of changes in equity referred to in our report of even date

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

Murad D. Daruwalla
 Partner

Murad D. Daruwalla
 Partner
 ICAI Membership No. 043334
 Place : Mumbai
 Date : 04 May 2026



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

Ashish Mehrotra
 Director

Ashish Mehrotra
 Director
 DIN:07277318
 Place : Mumbai
 Date : 04 May 2026

Pardhasaradhi Rallabhandhi
 Director

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 Director
 DIN:10054672
 Place : Mumbai
 Date : 04 May 2026

Bhavdeep Chandrakant Bhatt
 Chief Executive Officer

Bhavdeep Chandrakant Bhatt
 Chief Executive Officer
 Place : Mumbai
 Date : 04 May 2026

Vishal Garg
 Chief Financial Officer

Vishal Garg
 Chief Financial Officer
 Place : Mumbai
 Date : 04 May 2026

Dhiraj Ramasaw Gupta
 Company Secretary

Dhiraj Ramasaw Gupta
 Company Secretary
 Place : Mumbai
 Date : 04 May 2026



M.No. F13432

Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

1 Background

Northern Arc Investment Managers Private Limited was incorporated on 17 February 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 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 31 March 2026 were approved for issue by the Board of Directors of the Company on 04 May 2026.

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.

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: Recognize revenue when (or as) the Company satisfies a performance obligation.



3 Material accounting policies (Continued)

3.1 Revenue Recognition (Continued)

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 as the customer simultaneously receives and consumes the benefits provided by the Company.

Further, paragraph B16 of Ind AS 115 states that, "as a practical expedient, if an entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, the entity may recognise revenue in the amount to which the entity has a right to invoice".

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 recognized on receipt basis.

Income from investment in alternative

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

Dividend income

Dividend income is recognized 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 recognized 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 recognized 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 amortized cost

Financial assets are subsequently measured at amortized 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 recognized in Statement of Profit and Loss using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized 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 recognized in the Statement of Profit and Loss.

- financial assets measured at FVTPL

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



3 Material accounting policies (Continued)

3.2 Financial instrument - initial recognition (Continued)

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 recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

De-recognition of financial assets

The Company de-recognizes 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 recognizes 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 recognize the financial asset and also recognizes a collateralized 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 recognized 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 recognized in the Statement of Profit and Loss.

- Financial liabilities at amortized cost

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

Derecognition of financial liabilities

Financial liabilities are de-recognized 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 recognized 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 recognized for an asset in prior accounting periods may no longer exist or may have decreased.



3 Material accounting policies (Continued)

3.2 Financial instrument - initial recognition (Continued)

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 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 recognized 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 recognized 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 recognized 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 recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.



3.3 Employee benefits (Continued)

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. 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
- (b) in case of non-accumulating compensated absences, when the absences occur.

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.

3.4 Provisions and contingent liabilities

Provisions are recognized 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.

3.5 Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized 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 recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.



3.5 Income tax (Continued)

ii. Deferred tax

Deferred tax assets are recognized 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 recognizes 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 realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized 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 realized simultaneously.

3.6 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.

3.7 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.

3.8 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.

3.9 New and amended standards

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. During the year ended 31 March 2026, MCA has notified following new standards or amendments to the existing standards:

i) Lack of exchangeability – Amendments to Ind AS 21

MCA via notification dated 7 May 2025, announced amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

Note: The amendments to Ind AS 21 relating to lack of exchangeability, notified by MCA on 7 May 2025, are not applicable to the Company, as it does not have any transactions involving non-exchangeable currencies. Accordingly, there is no impact on the financial statements.



3.9 New and amended standards (Continued)

ii) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

MCA via notification dated 13 August 2025 announced amendments to Ind AS 1, Presentation of Financial Statements, which elaborate on guidance set out in Ind AS 1 by:

- clarifying that the right to defer settlement of a liability for at least 12 months after the reporting period;
- a) must have substance, and b) must exist at the end of the reporting period;
- stating that management's expectations around whether the settlement of a liability would be deferred or not, does not impact the classification of the liability;
- including requirements for liabilities that can be settled using an entity's own instruments; and
- stating that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current or non-current

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

Note: The amendments to Ind AS 1 relating to classification of liabilities as current or non-current and non-current liabilities with covenants, notified by MCA on 13 August 2025, are not applicable to the Company as it presents its balance sheet in order of liquidity as per Division III of Schedule III to the Companies Act, 2013. Accordingly, there is no impact on the financial statements.

iii) Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

MCA via notification dated 13 August 2025 announced amendments to Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures which introduced disclosure requirements with the objective to enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cashflows and exposure to liquidity risk.

Note: The amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, notified by MCA on 13 August 2025, are not applicable to the Company as it does not have any such arrangements. Accordingly, there is no impact on the financial statements.

iv) International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

MCA via notification dated 13 August 2025 announced amendments to Ind AS 12, Income Taxes, which includes:

- a temporary exception to the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules; and
- additional disclosure requirements targeted at a reporting entity's exposure to income taxes in periods in which the Pillar Two Model legislation is enacted or substantively enacted but not yet in effect.

Note: The amendments to Ind AS 12 relating to Pillar Two Model Rules, notified by MCA on 13 August 2025, are not applicable to the Company. Accordingly, there is no impact on the financial statements.

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Northern Arc Investment Managers Private Limited

Summary of material accounting policies and other explanatory information to the financial statements

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

4 Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Balance with banks		
- in current accounts	3.80	62.42
	<u>3.80</u>	<u>62.42</u>

5 Receivables

Trade receivables

Unsecured

Considered good (Also refer note 34)

	823.42	682.64
	<u>823.42</u>	<u>682.64</u>

Other receivables

Unsecured, considered good

	161.26	131.02
	<u>161.26</u>	<u>131.02</u>

Notes:

i) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person.

ii) There are no disputed trade receivables as on 31 March 2026 and 31 March 2025.

iii) The carrying amount of the current trade receivable is considered as a reasonable approximation of fair value as it is expected to be collected within three months, such that the effect of any difference between the effective interest rate applied and the estimated current market rate is not significant.

iv) Trade receivables ageing

	As at 31 March 2026		As at 31 March 2025	
	Outstanding for following periods from due date of payment		Outstanding for following periods from due date of payment	
	Less than 6 months	Total	Less than 6 months	Total
Undisputed trade receivables – considered good	984.68	984.68	813.66	813.66

6 Investments

Measured at fair value through profit and loss

(i) Alternative Investment Funds - unquoted

	As at 31 March 2026	As at 31 March 2025
IFMR Fimpart Long Term Credit Fund 2,498.24 (31 March 2025: 2,498.24) units of INR 100,000 each	2,657.25	2,695.30
Northern Arc Money Market Alpha Fund 14,34,527.3050 (31 March 2025: 10,07,206.7648) units of INR 100 each	1,649.06	1,071.01
Northern Arc India Impact Fund 5,576.4279 (March 31, 2025: 6,476.56) units of INR 100,000 each	3,858.58	5,858.20
Northern Arc Emerging Corporate Bond Fund 488.37 (31 March 2025: 488.37) units of INR 100,000 each	495.57	523.18
Northern Arc Finserv Fund 500 (31 March 2025: 500) units of INR 100,000 each	521.18	515.77
Northern Arc Fintech NBFC Fund I 487.7940 (31 March 2025: 487.7940) units of INR 100,000 each	514.98	515.13
Total Investments in AIFs (A)	<u>9,696.62</u>	<u>11,178.59</u>



Northern Arc Investment Managers Private Limited

Summary of material accounting policies and other explanatory information to the financial statements

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

6 Investments (Continued)

	As at 31 March 2026	As at 31 March 2025
(ii) Investment in Mutual Funds - quoted		
Axis Liquid Fund - Direct Growth 3,625.674 (31 March 2025: Nil) units	111.11	-
Axis Overnight Fund - Direct Growth 845.084 (31 March 2025: 4,443.995) units	12.05	60.04
Aditya Birla Sun Life Liquid Fund - Direct Growth ** 20,952.915 (31 March 2025: 20,952.915) units	93.25	87.74
Total Investments in Mutual Funds (B)	216.41	147.78
Total Investments (A) + (B)	9,913.03	11,326.37
Geographical market		
- in India	9,913.03	11,326.37
- outside India	-	-
Aggregate amount of quoted investments	216.41	147.78
Aggregate amount of unquoted investments	9,696.62	11,178.59
** <i>lien marked</i>		

7 Other financial assets considered good - unsecured

Security deposits	1.98	4.98
Advance to employees	1.35	2.23
	3.33	7.21

8 Current tax assets (net)

Advance Income tax	-	223.55
	-	223.55

9 Property, plant and equipment

Gross Block		
Balance as at 01 April 2024	15.80	15.80
Additions	-	-
Disposals	-	-
Balance as at 31 March 2025	15.80	15.80
Balance as at 31 March 2025	15.80	15.80
Additions	-	-
Disposals	-	-
Balance as at 31 March 2026	15.80	15.80
Accumulated depreciation		
Balance as at 01 April 2024	15.80	15.80
Depreciation for the year	-	-
Reversal on disposals	-	-
Balance as at 31 March 2025	15.80	15.80
Balance as at 31 March 2025	15.80	15.80
Depreciation for the year	-	-
Reversal on disposals	-	-
Balance as at 31 March 2026	15.80	15.80
Net block		
As at 31 March 2025	-	-
As at 31 March 2026	-	-

10 Other non financial assets

Unsecured considered good		
Prepaid expenses	277.14	408.90
Advance to supplier	0.01	0.23
Balances with government authorities	54.27	99.75
	331.42	508.88



Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

11 Trade payables

	As at 31 March 2026	As at 31 March 2025
Trade payables		
-Total outstanding dues to micro enterprises and small enterprises	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	189.47	218.20
	189.47	218.20

Notes:

- i) There are no disputed trade payables to MSME or others.
ii) 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.
iii) Trade payables ageing as at 31 March 2026 and 31 March 2025

Less than 6 months	189.47	218.20
	189.47	218.20

12 Borrowings (other than debt securities)

Measured at amortised cost:

Term Loans

- from non-banking finance company (secured)	5,996.86	7,560.84
	5,996.86	7,560.84

Geographical market

- in India	5,996.86	7,560.84
- outside India	-	-
	5,996.86	7,560.84

Notes:

12A Details regarding terms of borrowings

Loan Name	Sanction limit	Terms of Redemption	Interest rate	Maturity date
Term loan from non-banking finance company	10,000	4 years	11.50% (floating)	30-September-2028

12B Term loan from non-banking finance company is secured by hypothecation of current assets, non-current assets and movable fixed assets.

12C Interest is payable on monthly basis.

12D During the year the Company has not defaulted in the repayment of dues.

13 Other financial liabilities

	As at 31 March 2026	As at 31 March 2025
Employee benefits payable	342.67	245.85
Payable to related parties (also refer note 34)	96.64	203.23
	439.31	449.08

14 Provisions

Provision for employee benefits:

- Gratuity (refer note 30)	11.66	27.97
- Compensated absences (refer note 30)	34.03	30.70
	45.69	58.67

15 Current tax liabilities (net)

Provision for income tax	80.70	-
	80.70	-

16 Other non-financial liabilities

Statutory dues payable	113.68	173.55
	113.68	173.55



Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	As at 31 March 2026		As at 31 March 2025	
	Number*	Amount	Number*	Amount
17 Equity share capital				
Authorised				
Equity shares of ₹ 100 each	1,500,000	1,500	1,500,000	1,500
Preference shares of ₹ 100 each	1,500,000	1,500	1,500,000	1,500
Issued, subscribed and fully paid up				
Equity shares of ₹ 100 each	361,000	361	361,000	361

a) Reconciliation of number of shares outstanding

There has been no movement in equity shares outstanding during the current year and previous year.

	As at 31 March 2026		As at 31 March 2025	
	Number*	Amount	Number*	Amount
b) Shares held by the holding company				
Northern Arc Capital Limited	361,000	361	361,000	361
c) Shareholders holding more than 5% of the shares				
Northern Arc Capital Limited	361,000	361	361,000	361

d) Shares held by promoters at the end of the year

	As at 31 March 2026		As at 31 March 2025	
	Number*	%	Number*	%
Northern Arc Capital Limited	361,000	100%	361,000	100%

There was no change in the shareholding of the promoter during the current and previous years.

*Number of shares are in absolute number

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

Equity shares

The Company has only one class of equity shares having a par value of ₹ 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.

f) Bonus issue, buy back and issue of shares without payment being received in cash

There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or bought back during the last 5 years immediately preceding 31 March 2026.

g) Capital management policies and procedures

The Company's capital management objectives are:

- to safeguard the Company's ability to continue as a going concern and continue to provide optimum returns to the shareholders and all other stakeholders by building a strong capital base.
 - to maintain an optimum capital structure to reduce the cost of capital
- In order to maintain or adjust the capital structure, the Company may adjust the return capital to shareholders, issue new shares, or sell investments / other assets to reduce debt.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders plus its borrowings, if any, less cash and cash equivalents as presented on the face of the balance sheet. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The amounts managed as capital by the Company for the reporting years are summarized as follows:



Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

17 Equity share capital (Continued)

g) Capital management policies and procedures (Continued)

	As at 31 March 2026	As at 31 March 2025
Borrowings	5,996.86	7,560.84
Cash and bank balances	3.80	62.42
Net debt	(A) 5,993.06	7,498.42
Total equity	(B) 5,080.42	4,876.57
Gearing ratio (Net debt/ Total equity) *	(A)/(B) 1.18	1.54

18 Other equity

	As at 31 March 2026	As at 31 March 2025
a) Retained earnings		
Balance at the beginning of the year	3,793.57	4,303.31
Add: Profit for the year	214.66	(512.90)
Add: Other comprehensive income for the year	(10.81)	3.16
Balance at the end of the year	3,997.42	3,793.57
b) Capital redemption reserve		
Balance at the beginning of the year	722.00	722.00
Balance at the end of the year	722.00	722.00
Total other equity	4,719.42	4,515.57

Notes to other equity:

(i) Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

(ii) Capital redemption reserve

The Companies Act, 2013 (the "Companies Act") requires that where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to shareholders of the company as fully paid bonus shares. The Company established this reserve pursuant to the redemption of preference shares in earlier years.

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	Year ended 31 March 2026	Year ended 31 March 2025
19 Revenue from operations		
Revenue from contract with customers		
Fee and commission income (refer note 34)	3,281.52	3,078.04
Interest income from financial instruments measured at FVTPL (refer note 34)	1,323.69	1,539.07
	4,605.21	4,617.11
Geographical Market		
- in India	4,605.21	4,617.11
- outside India	-	-
Major products / service lines		
Investment management and related services	4,605.21	4,617.11
20 Other income		
Fund operating fee (refer note 34)	634.95	428.98
Reimbursement of expenses	6.50	80.53
Recovery of assets written off	-	41.23
Interest on income tax refund	14.33	50.38
Other miscellaneous income	2.07	22.46
	657.85	623.58
21 Finance cost		
Interest expenses on financial liabilities measured at amortized cost		
- Term loan	873.27	1,104.20
- Cash credit (refer note 34)	5.19	22.27
	878.46	1,126.47
22 Fee and commission expense		
Distribution expenses (refer note 34)	621.19	641.54
	621.19	641.54
23 Net loss on fair value changes		
Loss on fair value changes	1,075.85	1,759.54
	1,075.85	1,759.54
24 Employee benefits expense		
Salaries, bonus and allowances (refer note 34)	1,263.87	1,035.47
Contribution to provident and other funds (refer note 30)	52.50	66.33
Share based payments to employees (refer note 34)	43.32	1.29
Gratuity expense (refer note 30)	4.91	19.07
Staff welfare expenses	8.94	12.36
	1,373.54	1,134.52
25 Depreciation and amortization expense		
Depreciation of property, plant and equipment (refer note 9)	-	-
	-	-

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Northern Arc Investment Managers Private Limited

Summary of material accounting policies and other explanatory information

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

26 Other expenses

	Year ended 31 March 2026	Year ended 31 March 2025
Legal and professional expenses (refer note 26.1)	340.53	571.25
Operating expenses (refer note 26.2)	398.40	323.31
Rent	93.56	77.77
Corporate social responsibility (refer note 26.4)	-	23.98
Traveling and conveyance	35.70	47.95
Director sitting fee	80.00	64.68
Communication expenses	8.95	6.33
Repairs and maintenance	19.15	22.45
Rates and taxes	1.83	0.46
Subscription charges	7.03	21.14
Auditors' remuneration (refer note 26.3)	4.18	4.12
Bank charges	1.83	1.38
Business promotion expenses	1.60	73.43
Provision for losses	-	3.10
Miscellaneous expenses	15.19	18.51
	1,007.95	1,259.86

26.1 Represents legal and professional expense incurred on behalf of the following funds and reimbursed to the Company:

	Year ended 31 March 2026	Year ended 31 March 2025
Northern Arc Capital Limited	-	74.03
IFMR Impact Long Term Multi Asset Class Fund	-	3.47
IFMR Impact Long Term Credit Fund	7.75	15.13
	7.75	92.63

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

Legal and professional charges	383.40	326.08
Audit fee	15.00	12.84
	398.40	338.92

26.3 Auditors' remuneration (excluding goods and services tax)

Statutory audit	3.00	3.00
Tax audit	1.00	1.00
Reimbursement of expenses	0.18	0.12
	4.18	4.12

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	Year ended 31 March 2026	Year ended 31 March 2025
26.4 Corporate social responsibility ("CSR") expenditure		
(a) Gross amount required to be spent by the Company during the year	-	23.00
(b) Amount approved by the board to be spent during the year	-	23.98
(c) Amount spent during the year (in cash) :		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	23.98
(d) Contributions to Northern Arc Foundation	-	23.98
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
Amount spent during the year	-	23.98
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.

Note: Pursuant to Section 135 of Companies Act, 2013, a Company meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR committee. During the previous financial year, the Company incurred a loss. Accordingly, the provisions relating to Corporate Social Responsibility (CSR) are not applicable to the Company for the current financial year.

27 Income tax

The component of income tax expense for the year ended 31 March 2026 and 31 March 2025 are:

	Year ended 31 March 2026	Year ended 31 March 2025
A Amount recognised in the statement of profit or loss		
Current tax expense		
Current income tax charge	402.82	299.43
Total current tax expense (A)	402.82	299.43
Deferred tax income	(311.41)	(467.77)
Deferred tax income (B)	(311.41)	(467.77)
Income tax expense reported in the statement of profit and loss	91.41	(168.34)
B Tax on amounts recognised in other comprehensive income		
Remeasurements of the defined benefit plan	3.64	(1.06)
Total income tax recognized in other comprehensive income	3.64	(1.06)

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

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March 2026 and 31 March 2025 is as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax	306.07	(681.24)
Applicable tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	77.03	(171.45)
Tax effect on / of:		
Tax impact of income not subject to deferred tax		
Provision for CSR	-	6.04
Others	14.38	(2.93)
Total income tax expense / (benefit)	91.41	(168.34)



Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

27 Income tax (Continued)

Note:

a) 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) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax and remeasured its net deferred tax asset at concessional rate for the year ended 31 March 2026.

b) The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for the year 31 March 2026 and 31 March 2025 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

D Significant components and movement in deferred tax asset and liabilities

	As at 31 March 2025	Expense / income recognised through profit or loss	Expense / income recognised through OCI	As at 31 March 2026
Component of deferred tax asset / (liability)				
Deferred tax assets				
Property, plant and equipment	0.52	(0.20)	-	0.32
Provision for employee benefits	34.23	35.88	3.64	73.75
Fair value gain / loss and impairment of investments	360.07	275.73	-	635.80
Total deferred tax assets	394.82	311.41	3.64	709.87

	As at 31 March 2024	Expense / income recognised through profit or loss	Expense / income recognised through OCI	As at 31 March 2025
Component of deferred tax asset / (liability)				
Deferred tax assets				
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
Total deferred tax assets	(71.89)	467.77	(1.06)	394.82

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

28 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 31 March 2026		As at 31 March 2025	
		FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets					
(a) Cash and cash equivalents	*	-	3.80	-	62.42
(b) Trade & other receivables	*	-	984.68	-	813.66
(c) Investments					
Alternate Investment Funds	Level 2	9,696.62	-	11,178.59	-
Mutual Funds	Level 1	216.41	-	147.78	-
(d) Other financial assets	*	-	3.33	-	7.21
Total financial assets		9,913.03	991.81	11,326.37	883.29
Financial liabilities					
(a) Trade payables	*	-	189.47	-	218.20
(b) Borrowings	*	-	5,996.86	-	7,560.84
(c) Other financial liabilities	*	-	439.31	-	449.08
Total financial liabilities		-	6,625.64	-	8,228.12

*Fair value of cash and cash equivalents, 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.

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
 (All amounts are in Indian Rupees in lakhs, unless otherwise stated)

28 Financial instruments (continued)

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.

29 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings from banks and trade payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investments and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management assesses the financial risk and the appropriate financial risk governance framework in accordance with the Company's risk and objectives. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk, foreign currency risk and price risk. Financial instruments affected by market risk include loans and deposits.

(a) Market risk - Price risk and interest rate risk

(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	As at 31 March 2026	As at 31 March 2025
I) Investments in mutual fund units	216.41	147.78
II) Investments in Alternate Investment Fund	9,696.62	11,178.59

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	Year end 31 March 2026	Year end 31 March 2025
5% increase in the prices	495.65	566.32
5% decrease in the prices	(495.65)	(566.32)

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

29 Financial risk management objectives and policies (continued)

(a) Market risk - Price risk and interest rate risk (Continued)

ii) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate on deposits with banks are fixed and hence do not carry a risk due to change in market rates.

Particulars	As at 31 March 2026	As at 31 March 2025
Floating rate borrowings	5,996.86	7,560.84
Fixed rate borrowings	-	-

The fair values of the Company's interest-bearing borrowings and loans are determined under amortised cost method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. These rates are considered to reflect the market rate of interest and hence the carrying value are considered to be at fair value.

Interest rate sensitivity

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of +/- 1% for the year ended 31 March 2026 and 31 March 2025. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Changes in Profit before tax / equity	
	Year ended 31 March 2026	Year ended 31 March 2025
Increase in interest rate / (Decrease) in profit for the year	(59.97)	(75.61)
(Decrease) in interest rate / Increase in profit for the year	59.97	75.61

Foreign currency risk

The Company does not contain balances denominated in foreign currency and hence not subject to foreign currency 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 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	As at 31 March 2026	As at 31 March 2025
Exposure to credit risk (refer column for amortised cost under financial assets section of table in Note 28)	991.81	883.29

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.

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

29 Financial risk management objectives and policies (continued)

(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 earnings from management fees, which are settled on a quarterly basis and, therefore are readily convertible into cash.

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

As at 31 March 2026	Carrying amount	Contractual cash flows	
Financial liabilities		Within 12 months	After 12 months
Borrowings	5,996.86	1,206.07	4,790.79
Trade payables	189.47	189.47	-
Other financial liabilities	439.31	439.31	-
Total	6,625.64	1,834.85	4,790.79

As at 31 March 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	-
Total	8,228.12	1,428.12	6,800.00

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

30 Employee Benefits

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

(I) Defined benefits plan: Gratuity

Gratuity is payable to all the members at the rate of 15 days salary for each completed year of service. In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment subject to a maximum statutory limit. Liabilities with regard to the gratuity plan are determined by actuarial valuation on the reporting date.

Details of actuarial valuation of gratuity pursuant to the Ind AS 19

A. Change in present value of obligations

	As at 31 March 2026	As at 31 March 2025
Present value of obligations at the beginning of the year	27.97	118.13
Interest cost	0.64	4.56
Current service cost	4.27	14.51
Transfer in-value of obligations	6.74	19.71
Benefits settled	(42.41)	(124.72)
Actuarial loss / (gain)	14.45	(4.22)
Present value of obligations at the end of the year	11.66	27.97

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	42.41	124.72
Benefits settled	(42.41)	(124.72)
Fair value of plan assets at the end of the year	-	-

C. Actual Return on plan assets

Expected return on plan assets	-	-
Actuarial gain/ (loss) on plan assets	-	-
Actual return on plan assets	-	-

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	11.66	27.97
Fair value of plan assets	-	-
Net liability recognised in balance sheet	11.66	27.97

E. Expense recognised in statement of profit and loss

Gratuity cost charged to profit or loss

	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	4.27	14.51
Interest on obligation	0.64	4.56
	4.91	19.07

F. Expense recognised in other comprehensive income

Remeasurements recognised in other comprehensive income		
Actuarial loss / (gain) on defined benefit obligation	14.45	(4.22)
Total amount recognised in other comprehensive income	14.45	(4.22)

Net gratuity cost	19.36	14.85
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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
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30 Employee Benefits (Continued)

	As at 31 March 2026	As at 31 March 2025
G. Assumptions at balance sheet date		
Discount rate	6.18%	6.37%
Salary escalation	8.00%	8.00%
Mortality rate	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)
Attrition rate	39.20%	63.60%

Notes:

- 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.
- 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.

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 31 March 2026		Year ended 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	11.27	12.08	27.66	28.28
Future salary growth (1% movement)	12.12	11.23	28.40	27.54
Attrition Rate (1% movement)	11.35	11.99	27.90	28.04

I. Maturity analysis of benefit payments

Particulars	As at 31 March 2026	As at 31 March 2025
Expected benefits for year 1	2.24	17.42
Expected benefits for year 2	1.84	7.22
Expected benefits for year 3	1.21	3.14
Expected benefits for year 4	2.13	1.31
Expected benefits for year 5	2.54	0.62
Next five years	4.33	0.40

J. Risk exposure

The defined benefit plan exposes the Company to actuarial risks such as interest rate risk, investment risk, longevity risk and inflation risk.

Demographic risks

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligations depend upon the combination of salary increase, discount rate, and vesting criteria and therefore not very straight forward.

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of high quality corporate bonds. The estimated term of the bonds is consistent with the estimated term of the defined benefit obligation and it is denominated in Indian rupees. A decrease in market yield on high quality corporate bonds will increase the Company's defined benefit liability.

Longevity risk

The Company is required to provide benefits for life for the members of the defined benefit liability. Increase in the life expectancy of the members, will increase the defined benefit liability.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.



30 Employee Benefits (Continued)

II Defined contribution plan

Eligible employees of the Company receive benefits under the provident fund which is a defined contribution wherein both the employee and the Company make monthly contributions equal to a specific percentage of the covered employee's salary. These contributions are made to the fund administered and managed by the Government of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred. The total expenses for the year ended 31 March 2026 amounts to ₹ 52.50 Lakhs (31 March 2025: ₹ 66.33 Lakhs).

III Other long term employee benefits

The Company have a leave policy for which the Company permits encashment of compensated absences accumulated by their employees on retirement. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation performed by an independent actuary. The Company does not maintain any plan assets to fund its obligation towards compensated absences. The liability for compensated absences as at 31 March 2026 is ₹ 34.03 lakhs (31 March 2025: ₹ 30.66).

Principal actuarial assumptions used:

Discount rate
 Long-term rate of compensation increase
 Attrition rate
 Mortality rate

	As at	As at
	31 March 2026	31 March 2025
	6.18%	6.37%
	8.00%	8.00%
	39.20%	63.60%
Indian Assured		Indian Assured
Lives Mortality		Lives Mortality
(2012-14) Ultimate		(2012-14) Ultimate
Table.		Table.

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Northern Arc Investment Managers Private Limited
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31 Employee stock option plan (ESOP)

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

The scheme was approved by special resolution passed on 07 October 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. 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 25 July 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. The options were issued on 28 July 2018, with an exercise price ranging between Rs. 181 to Rs. 275. The options vests over a period of 3 years in 30:30:40 proportion.

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

The scheme was approved by special resolution passed on 13 September 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. 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- IVB")

The scheme was approved by special resolution passed on 13 September 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. 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

As at 31 March 2026				
Plan	Scheme II	Scheme III	Scheme IV	Scheme IVB
Grant date	Various	Various	Various	Various
Number of options	294,000	148,666	110,000	85,000
Exercise price in Rs.	110 to 121	181 to 275	275	211 to 275
Vesting period	1 to 5 years	1 to 3 years	1 to 4 years	1 to 4 years
Option Price	39.28-40.89	92.33	65.74	145
Weighted average exercise price in Rs.	115.61	185.81	275.00	226.06
Weighted average remaining contractual life (in years)	-	-	0.09	0.09
Vesting condition	Time based vesting			

As at 31 March 2025					
Plan	Scheme II	Scheme III	Scheme IV	Scheme IIB	Scheme IVB
Grant date	Various	Various	Various	Various	Various
Number of options	334,000	166,699	118,000	35,000	90,000
Exercise price in Rs.	110 to 121	181 to 275	275	275	275
Vesting period	1 to 5 years	1 to 3 years	1 to 4 years	1 to 5 years	1 to 4 years
Option Price	39.28-40.89	92.33	65.74	-	128.88-144.82
Weighted average exercise price in Rs.	134.70	190.75	275.00	275.00	275
Weighted average remaining contractual life (in years)	-	-	1.76	-	1.75
Vesting condition	Time based vesting				



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31 Employee stock option plan (ESOP) (Continued)

Reconciliation of outstanding options

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

Particulars	Number of options	
	As at 31 March 2026	As at 31 March 2025
Outstanding at beginning of year	743,699	560,734
Forfeited during the year	148,500	130,000
Exercised during the year	46,533	181,366
Granted during the year	65,000	158,000
Transfer from holding company	24,000	336,331
Outstanding as at end of year	637,666	743,699
Vested and exercisable as at end of year	572,666	585,699

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 31 March 2026	As at 31 March 2025
Dividend yield	-	-
Historical Volatility Estimate	37.96% - 39.33%	37.96% - 39.33%
Risk free interest rate	6.87%	6.87%
Expected life of the option (in years)	3.00	3.00

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.

32 Earnings per share – Basic and Diluted:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Earnings/ (loss)		
Net profit/ (loss) attributable to equity shareholders for calculation of basic EPS	214.66	(512.90)
Net profit/ (loss) attributable to equity shareholders for calculation of diluted EPS	214.66	(512.90)
Shares		
Equity shares at the beginning of the year	361,000	361,000
Shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	361,000	361,000
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	361,000	361,000
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	361,000	361,000
Face value per share (₹)	100.00	100.00
Earning per share		
Basic (₹)	59.46	(142.08)
Diluted (₹)	59.46	(142.08)

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Northern Arc Investment Managers Private Limited
Summary of material accounting policies and other explanatory information
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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

Nature of relationship	Name of related party
Holding Company	Northern Arc Capital Limited
Fellow Subsidiaries	Northern Arc CrediTech 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, Non-executive Director Ashish Mehrotra, Non-executive Director Chaitanya Pande, Non-executive Director Pardhasaradhi Rallabhandi, Non-executive Director Bhavdeep Chandrakant Bhat, Chief Executive Officer Vishal Garg, Chief Financial Officer Dhiraj Ramasaw Gupta, Company Secretary (since 2 May 2025) Ravi Vukkadala (Up to 11 June 2024)

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

A Transaction with related parties during the year:

Related Party	Transactions	Year ended 31 March 2026	Year ended 31 March 2025
Northern Arc Capital Limited	Finance costs Fee and commission expense Loans taken Loans repaid ESOP issued	5.19 371.12 1,387.53 1,387.53 43.32	624.67 294.45 3,421.77 13,226.02 1.29
Northern Arc Foundation	Corporate social responsibility expenditure	-	23.98
Northern Arc Securities Private Limited	Fee and commission expense	29.41	-
Northern Arc Emerging Corporate Bond Fund	Investment in Class A4 units Investment in Class A5 units Investment in Class A7 units Fee and commission income Interest income Fund operating fee	- - - 1,015.34 54.45 248.03	200.00 2,000.00 2,150.00 865.59 65.84 126.65
Ashish Mehrotra	Director Sitting Fees	7.00	-
Chaitanya Pande	Director Sitting Fees and commission	56.50	54.50



Northern Arc Investment Managers Private Limited
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34 Related party disclosures (Continued)

A Transaction with related parties during the year: (Continued)

Related Party	Transactions	Year ended 31 March 2026	Year ended 31 March 2025
Pardhasaradhi Rallabhandi	Director Sitting Fees	8.00	
N A Moon	Director Sitting Fees	-	4.31
Theodoor Brouwers	Director Sitting Fees	-	5.87
Kshama Fernandes	Remuneration*	-	200.00
	Director Sitting Fees	8.50	-
Bhavdeep Chandrakant Bhatt	Remuneration*	260.46	135.08
Dhiraj Ramasaw Gupta	Remuneration*	18.18	-
Ravi Vukkadala	Remuneration*	-	29.85

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

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

Related Party	Oustanding balances	As at 31 March 2026	As at 31 March 2025
Northern Arc Capital Limited	Equity share capital	361.00	361.00
	Payable towards shared service cost	52.04	201.94
	Other receivables	-	19.71
	ESOP payable	44.60	1.29
Northern Arc Securities Private Limited	Trade payables	6.24	-
Northern Arc Emerging Bond Fund	Investment in class B(FV)	495.57	523.18
	Fee income receivable	229.43	183.55
	Fund operating fee receivable	39.41	28.37

C The Company has been appointed as the investment manager

a) by the Trustee of IFMR Fimpart 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 19.

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 19.

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 19.

d) 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 19.

e) 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 19.

f) 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 19.

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Summary of material accounting policies and other explanatory information
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

- 35 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 36 The Company is not declared as wilful defaulter by any bank of financial institution or other lender.
- 37 The Company has not entered into any transaction with Company struck off under section 248 of the Companies Act, 2013.
- 38 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 39 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 40 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.
- 41 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)
- 42 The Company has not received any fund from any party (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.
- 43 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.
- 44 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 2025, 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.
- 45 The Company has not declared/ paid any dividend during the year.
- 46 The Company has not entered into any scheme of arrangement.
- 47 Events after the reporting period**
No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of the financial statements.

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Summary of material accounting policies and other explanatory information
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48 Previous year figures

Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/disclosure adopted in the current year. The regrouping/ reclassification are not material to the financial statements.

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors of

Northern Arc Investment Managers Private Limited

CIN: U74120TN2014PTC095064



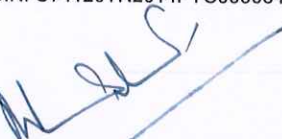
Murad D. Daruwalla

Partner

ICAI Membership No. 043334

Place : Mumbai

Date : 04 May 2026



Ashish Mehrotra

Director

DIN:07277318

Place : Mumbai

Date : 04 May 2026



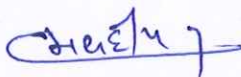
Pardhasaradhi Rallabhandhi

Director

DIN:10054672

Place : Mumbai

Date : 04 May 2026



Bhavdeep Chandrakant Bhatt

Chief Executive Officer

Place : Mumbai

Date : 04 May 2026



Vishal Garg

Chief Financial Officer

Place : Mumbai

Date : 04 May 2026



**Dhiraj Ramasaw
Gupta**

Company Secretary

Place : Mumbai

Date : 04 May 2026

M.No. F13432