

**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of Arka FinCap Limited pursuant to regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To The Board of Directors of  
**Arka Fincap Limited**  
**(Formerly Kirloskar Capital Limited)**  
One World Center, Tower 2B,  
Floor 12B, Senapati Bapat Marg,  
Mumbai 400013, India.

**Report on the Audit of Standalone financial results**

**Introduction**

We have audited the accompanying Standalone Financial Results of Arka Fincap Limited (formerly Kirloskar Capital Limited) ("the Company") for the quarter and year ended 31<sup>st</sup> March 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:

- i. are presented in accordance with the requirements of regulation 52 of the Listing Regulations in this regard ; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards, RBI guidelines and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the Company for the quarter and year ended 31<sup>st</sup> March 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 together with the ethical requirements that are relevant to our audit of the standalone financial results, 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.

**Management's Responsibilities for the Standalone Financial Results**

These annual financial results have been compiled from the annual audited financial statements. The Company's Board of Directors is responsible for the preparation and presentation of these standalone Financial Results that give a true and fair view of the net profit, other comprehensive income and other

financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards specified under section 133 of the Act, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with regulation 52 of the Listing Regulations. 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the management 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone Financial Results 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 SAs 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 standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 financial 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 standalone 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 management's 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 standalone Financial results 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 standalone Financial results, including the disclosures, and whether the standalone Financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

The financial statements of the Company for the financial year ended March 31, 2021 were audited by another auditor who expressed an unmodified opinion on the same on 28<sup>th</sup> April 2021.

As stated in Note 4, the comparative figures for the quarter ended 31<sup>st</sup> March 2021 as reported in the Statement have not been subjected to a limited review or an audit.

Our opinion on the standalone financial results is not modified in respect of above matter.

**For P G BHAGWAT LLP,  
Chartered Accountants,**

Firm's Registration Number : 101118W/W100682

DEO  
NACHIKET  
RATNAKAR

Digitally signed by DEO NACHIKET  
RATNAKAR  
DN: c=IN, o=Personal,  
ou=personnel, ou=20220426165349, email=ca@nachi.com,  
cn=DEO NACHIKET RATNAKAR  
serialNumber=4682, hex=308175260c587  
4094222991, 4ba35c3175260c587  
4094222991, postalCode=411004,  
ou=MAHARASHTRA,  
serialNumber=4682, hex=308175260c5874094222991,  
4ba35c3175260c5874094222991, cn=DEO NACHIKET  
RATNAKAR  
Date: 2022.04.26 16:53:49 +05'30'

**Nachiket Deo**

**Partner**

Membership No. 117695

UDIN : 22117695AHVQSY4832

Place: Pune

Date : 26<sup>th</sup> April 2022

**Arka Fincap Limited (Formerly known as Kirloskar Capital Limited)**

Regd. Office: One World Center, 1202B, Tower 2B, Floor 12B, Jupiter Mills Compound, Senapati Bapat Marg Mumbai- 400013, India

Tel: +91 22 40471000 CIN: U65993MH2018PLC308329

Website: www.arkafincap.com E-mail: arkainfo@arkafincap.com

**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022**

(₹ in Lakhs)

Sr. No	Particulars	Quarter ended			Year Ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		Audited	Audited	Unaudited	Audited	Audited
<b>1</b>	<b>Revenue from operations</b>					
	(a) Interest income	6,251.62	5,078.23	3,180.24	19,210.33	9,788.32
	(b) Fees and commission income	75.00	145.50	42.20	503.40	179.87
	(c) Net gain on sale of investments	105.08	164.16	140.71	380.25	228.26
	(d) Net gain on fair value changes of investments	-0.49	37.21	-56.89	78.76	(7.94)
	<b>Total revenue from operations</b>	<b>6,431.21</b>	<b>5,425.10</b>	<b>3,306.26</b>	<b>20,172.74</b>	<b>10,188.51</b>
<b>2</b>	<b>Other income</b>	7.08	50.32	1.98	136.66	104.03
<b>3</b>	<b>Total income (1+2)</b>	<b>6,438.29</b>	<b>5,475.42</b>	<b>3,308.24</b>	<b>20,309.40</b>	<b>10,292.54</b>
<b>4</b>	<b>Expenses</b>					
	(a) Finance costs	3,113.34	2,467.91	1,387.45	9,173.74	3,768.91
	(b) Net loss on fair value changes	-	-	-	-	0.27
	(c) Impairment on financial instruments	180.60	126.12	85.10	557.61	220.99
	(d) Employee benefit expenses	1,829.49	1,015.87	879.05	4,676.27	3,050.32
	(e) Depreciation and amortisation expenses	91.76	92.46	93.82	365.34	315.27
	(f) Other expenses	392.92	259.34	231.09	1,127.82	609.23
	<b>Total expenses</b>	<b>5,608.11</b>	<b>3,961.70</b>	<b>2,676.51</b>	<b>15,900.78</b>	<b>7,964.99</b>
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>830.18</b>	<b>1,513.72</b>	<b>631.73</b>	<b>4,408.62</b>	<b>2,327.55</b>
<b>6</b>	<b>Tax expense</b>					
	(a) Current tax	347.93	464.09	202.33	1,535.13	790.28
	(b) Deferred tax	(140.19)	(55.35)	(52.78)	(378.17)	(151.07)
	<b>Total tax expenses</b>	<b>207.74</b>	<b>408.74</b>	<b>149.55</b>	<b>1,156.96</b>	<b>639.21</b>
<b>7</b>	<b>Profit after tax (5-6)</b>	<b>622.44</b>	<b>1,104.98</b>	<b>482.18</b>	<b>3,251.66</b>	<b>1,688.34</b>
<b>8</b>	<b>Other comprehensive income, net of tax</b>					
	(a) Items that will not be reclassified to profit and loss	0.16	-	8.62	0.16	8.62
	(b) Items that will be reclassified to profit and loss	-	-	-	-	-
	<b>Total other comprehensive income, net of tax</b>	<b>0.16</b>	<b>-</b>	<b>8.62</b>	<b>0.16</b>	<b>8.62</b>
<b>9</b>	<b>Total comprehensive income (7+8)</b>	<b>622.60</b>	<b>1,104.98</b>	<b>490.80</b>	<b>3,251.82</b>	<b>1,696.96</b>
<b>10</b>	<b>Paid-up equity share capital (Face value of ₹ 10/- ea</b>	75,985.58	75,985.58	63,996.98	75,985.58	63,996.98
<b>11</b>	<b>Other equity</b>	7,696.92	7,062.05	3,338.18	7,696.92	3,338.18
<b>12</b>	<b>Earning per share (In ₹)</b>					
	(a) Basic (Not Annualised)	0.08	0.15	0.08	0.45	0.30
	(b) Diluted (Not Annualised)	0.08	0.15	0.08	0.45	0.30

Notes:

## 1 Statement of assets and liabilities (Balance Sheet):

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2022	31 March 2021
	Audited	Audited
<b>ASSETS</b>		
<b>(I) Financial assets</b>		
(a) Cash and cash equivalents	13,167.93	22,608.09
(b) Bank balances other than cash and cash equivalents	1,001.00	-
(c) Trade receivables	43.74	-
(d) Loans	2,29,908.39	90,658.90
(e) Investments	16,184.30	21,479.95
(f) Other financial assets	293.60	220.79
	<b>2,60,598.96</b>	<b>1,34,967.73</b>
<b>(II) Non-financial assets</b>		
(a) Current tax assets (net)	370.17	84.79
(b) Deferred tax assets (net)	652.71	274.60
(c) Property, plant and equipment	523.49	752.24
(d) Intangible assets	337.01	370.42
(e) Intangible assets under development	-	2.00
(f) Other non-financial assets	217.38	162.60
	<b>2,100.76</b>	<b>1,646.65</b>
<b>TOTAL ASSETS (I+II)</b>	<b>2,62,699.72</b>	<b>1,36,614.38</b>
<b>LIABILITIES AND EQUITY</b>		
<b>(III) Financial liabilities</b>		
(a) Trade payables		
(i) Outstanding to micro enterprises and small enterprises	9.72	-
(ii) Outstanding dues of creditors other than micro and small enterprises	124.37	66.59
(b) Debt securities	56,577.25	22,203.94
(c) Borrowings (other than debt securities)	1,16,773.31	44,364.85
(d) Other financial liabilities	3,343.35	1,876.66
	<b>1,76,828.00</b>	<b>68,512.04</b>
<b>(IV) Non-financial liabilities</b>		
(a) Current tax liabilities (net)	-	-
(b) Provisions	512.65	104.06
(c) Other non-financial liabilities	1,676.57	663.12
	<b>2,189.22</b>	<b>767.18</b>
<b>(V) Equity</b>		
(a) Equity share capital	75,985.58	63,996.98
(b) Other equity	7,696.92	3,338.18
	<b>83,682.50</b>	<b>67,335.16</b>
<b>TOTAL LIABILITIES AND EQUITY (III+IV+V)</b>	<b>2,62,699.72</b>	<b>1,36,614.38</b>

## 2 Statement of Cash Flows:

(₹ in Lakhs)

Particulars	Year ended	Year Ended
	31 March 2022	31 March 2021
	Audited	Audited
<b>A Cash Flow from Operating Activities</b>		
Net profit before tax	4,408.63	2,327.56
<b>Adjustments for:</b>		
<b>Add:</b>		
Depreciation and amortisation	365.34	315.27
Provision for expected credit loss	557.61	220.99
Provision for share based payments	94.25	227.43
Loss on fair value of employee loan	-	0.27
Finance cost	9,173.74	3,768.91
	<b>10,190.94</b>	<b>4,532.87</b>
<b>Less:</b>		
Interest received on fixed deposits	260.09	520.89
Profit on sale of investments	380.25	228.26
Fair value (loss)/ gain on investments	78.76	(7.94)
Interest received on debt instrument	468.30	1,973.76
Interest income on security deposit	22.06	20.09
Amortised discount income on commercial paper	303.98	496.04
	<b>1,513.44</b>	<b>3,231.10</b>
<b>Operating profit before working capital changes</b>	<b>13,086.13</b>	<b>3,629.33</b>
<b>Adjustments:</b>		
(Increase)/Decrease in loans and advances	(1,39,666.31)	(54,258.01)
(Increase) / Decrease in trade receivables	(43.74)	-
(Increase) / Decrease in security deposits	(15.75)	(4.91)
(Increase) / Decrease in Prepaid expenses	(46.63)	(672.43)
(Increase) / Decrease in Other financial assets	(35.56)	-
(Increase) / Decrease in Other non-financial assets	(8.15)	46.78
Increase / (Decrease) in provisions	233.68	37.18
Employee benefits paid	936.45	184.41
Increase/(Decrease) in trade payable	67.50	44.81
Increase/(Decrease) in Other financial liabilities	273.79	641.36
Increase/(Decrease) in Other non-financial liabilities	1,013.45	580.86
	<b>(1,24,205.14)</b>	<b>(49,770.62)</b>
Direct taxes paid	(1,820.51)	(857.66)
<b>Net cash used in operating activities (A)</b>	<b>(1,26,025.65)</b>	<b>(50,628.28)</b>
<b>B Cash flows from investing activities</b>		
<b>Add:</b>		
Interest received on fixed deposits	260.65	509.92
Receipt on sale of investments	28,564.81	92,768.39
	<b>28,825.46</b>	<b>93,278.31</b>
<b>Less:</b>		
Increase in other bank balance	1,001.00	-
Payments on purchase of investment	22,003.53	1,00,269.95
Payments for Purchase of Property, Plant and Equipment	57.43	60.81
Payments for Purchase of Other Intangible assets	139.19	186.00
Payments for Purchase of Intangible assets under development	(2.00)	2.00
	<b>23,199.15</b>	<b>1,00,518.76</b>
<b>Net cash generated from investing activities (B)</b>	<b>5,626.31</b>	<b>(7,240.45)</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds from issue of equity share capital (including securities premium)	13,001.26	12,481.68
Proceeds from Bank and NBFCs Borrowings (net)	72,408.46	37,258.36
Proceeds from issuance of Non-Convertible Debentures (net)	24,923.16	19,950.00
Proceeds from issuance of Commercial Papers (net)	9,450.15	2,359.22
Finance cost paid	(8,639.67)	(3,713.92)
Lease liability paid	(184.17)	(185.20)
	<b>1,10,959.19</b>	<b>68,150.14</b>
<b>Net Increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(9,440.15)</b>	<b>10,281.41</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>22,608.09</b>	<b>12,326.68</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>13,167.93</b>	<b>22,608.09</b>

3. Disclosures in accordance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the quarter and year ended 31 March 2022

(₹ in Lakhs)

Sr no.	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		Audited	Audited	Unaudited	Audited	Audited
(a)	Debt-equity ratio <sup>1</sup>	2.1 : 1	1.55 : 1	1 : 1	2.1 : 1	1 : 1
(b)	Debt service coverage ratio <sup>2</sup>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(c)	Interest service coverage ratio <sup>2</sup>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(d)	Outstanding redeemable preference shares (quantity and value)	Nil	Nil	Nil	Nil	Nil
(e)	Capital redemption reserve	Nil	Nil	Nil	Nil	Nil
(f)	Debenture redemption reserve <sup>3</sup>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(g)	Net worth <sup>4</sup>	82,692.78	82,183.93	66,688.14	82,692.78	66,688.14
(h)	Net profit after tax	622.44	1104.98	482.18	3251.66	1688.34
(i)	Earning per share (In ₹)					
	(a) Basic (Not Annualised)	0.08	0.15	0.08	0.45	0.30
	(b) Diluted (Not Annualised)	0.08	0.15	0.08	0.45	0.30
(j)	Current ratio <sup>5</sup>	1.53 : 1	1.38 : 1	2.49 : 1	1.53 : 1	2.49 : 1
(k)	Long term debt to working capital <sup>6</sup>	2.43 : 1	2.21 : 1	1 : 1	2.43 : 1	1 : 1
(l)	Bad debts to Account receivable ratio	Nil	Nil	Nil	Nil	Nil
(m)	Current liability ratio <sup>7</sup>	0.44 : 1	0.54 : 1	0.4 : 1	0.44 : 1	0.4 : 1
(n)	Total debts to total assets <sup>8</sup>	0.68 : 1	0.61 : 1	0.51 : 1	0.68 : 1	0.51 : 1
(o)	Debtors turnover <sup>9</sup>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(p)	Inventory turnover <sup>9</sup>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(q)	Operating margin (%) <sup>9</sup>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(r)	Net profit margin (%) <sup>9</sup>	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(s)	Gross NPA (%)	Nil	Nil	Nil	Nil	Nil
(t)	Net NPA (%)	Nil	Nil	Nil	Nil	Nil
(u)	Capital adequacy ratio (CRAR)	30.92%	35.36%	57.85%	30.92%	57.85%

Notes:

- (1) Debt = Debt Securities + Borrowings (other than debt securities).
- (2) As per the proviso to Regulation 52(4) of SEBI LODR, 2015 Regulations, the requirement of disclosing Debt service coverage ratio and Interest service coverage ratio is not applicable to the Company being a Non-Banking Financial Company registered with the Reserve Bank of India.
- (3) Debenture Redemption Reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b) of Companies (Share Capital and Debenture) Rules, 2014.
- (4) Net worth/ Equity = Equity Share Capital + Other Equity – Deferred Tax Assets – Intangible assets
- (5) Current ratio = Current assets / Current liabilities.
- (6) (a) Long term debt = debt repayable after 12 months. (b) working capital = current assets - current liability
- (7) Current Liability Ratio = Current Liabilities / Total Liabilities.
- (8) Total debt = Total Liabilities
- (9) The Company is not a manufacturing and trading Company hence, Debtors turnover ratio, Inventory turnover ratio, Operating margin, Net profit margin are not applicable to it.

**Notes:**

- 1 The Company is a Systemically Important Non-Deposit Accepting Non-Banking Financial Company registered with the Reserve Bank of India.
- 2 The financial results of the Company have been prepared in accordance with the Indian Accounting Standard ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 3 This Statement has been prepared in compliance of SEBI Circular no. SEBI/HO/DDHS/CIR/2021/000000637 dated 5 October 2021 applicable on listed Companies whose non-convertible securities are listed on recognised stock exchanges.
- 4 The financial results for the comparative quarter ended 31 March 2021 have been restated by management and have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results for the comparative quarter ended 31 March 2021 provide a true and fair view of the Company's affairs.
- 5 The quarterly financial results for the period ended March 31, 2022 are the balancing figures between the audited figures in respect of the year ended March 31, 2022 and the published year-to-date figures up to December 31, 2021, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6 Pursuant to the requirements specified in RBI Master Direction No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 – 'Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016', as updated from time to time, a prior approval is required from RBI for any change in applicable NBFC shareholding of 26% or more. In line with said requirement, Company has submitted an application to RBI on 6 September 2021 requesting for approval for proposed change of its shareholding from 'Kirloskar Oil Engines Limited' to 'Arka Financial Holdings Private Limited' and have received the approval from RBI on 14 October 2021.  
  
Accordingly during the year, Kirloskar Oil Engines Limited (KOEL) has transferred in multiple tranches, 68,54,22,231 fully paid-up equity shares having face value of Rs. 10/- each of the company to Arka Financial Holdings Private Ltd, a wholly owned subsidiary of KOEL at Rs. 75,396.45 Lakhs. Accordingly, Arka Financial Holdings Private Ltd holds 99.99% of the company.
- 7 The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating segment.
- 8 During the quarter ended 31 March 2022, the Company has issued 1,500 units senior, secured, redeemable, rated, listed, taxable, non-convertible debentures (secured NCDs and MLDs) of face value of Rs 10 Lakhs per debenture aggregating to Rs 150 crores on private placement basis. These NCDs and MLDs are rated as CRISIL AA-/Stable.
- 9 The Secured Listed Non-Convertible Debentures of the Company as on 31 March 2022 are secured by first pari-passu charge by way of hypothecation, over standard present and future receivables, liquid instruments, cash and cash equivalents of the Company.. The total asset cover required thereof has been maintained as per the terms and conditions stated in the respective Debenture Trust Deeds.
- 10 Consequent to the outbreak of COVID-19 pandemic, the Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results including recovering the carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company has at the date of approval of financial results, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. However, the extent to which the COVID-19 pandemic may continue to impact the Company's performance, will depend on ongoing and future developments, which are uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by us.
- 11 The above financial results of Arka Fincap Limited ("AFL" or "the Company") for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 26 April 2022.
- 12 Figures for the previous period/year have been regrouped and / or reclassified wherever considered necessary to conform to current period presentation.

**For and on behalf of the Board of Directors of  
Arka Fincap Limited  
(Formerly known as Kirloskar Capital Limited)**

**vimal  
bhandari** Digitally signed by  
vimal bhandari  
Date: 2022.04.26  
16:35:02 +05'30'

**Vimal Bhandari**  
Executive Vice Chairman and CEO  
DIN: 00001318

Place: Mumbai  
Date: 26 April 2022

**DEO  
NACHIKET  
RATNAKAR** Digitally signed by DEO NACHIKET  
RATNAKAR  
DN: cn=NACHIKET RATNAKAR,  
o=Arka Fincap Limited, ou=Arka Fincap Limited,  
c=IN, email=nachiket.r@arkafincap.com