

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of Northern Arc Capital Limited (the "Company") Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**Review Report to
The Board of Directors
Northern Arc Capital Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Northern Arc Capital Limited (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associate for the quarter ended September 30, 2024 and year to date from April 01, 2024 to September 30, 2024 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Master Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure 1
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:
- 4 subsidiaries, whose unaudited interim financial results include total assets of Rs. 6,402.81 lakhs as at September 30, 2024, total revenues of Rs. 959.79 lakhs and Rs. 4,341 lakhs, total net loss after tax of Rs. 1,566.66 lakhs and Rs. 1,452.88 lakhs, total comprehensive loss of Rs. 1,585.99 lakhs and Rs. 1,466.66 lakhs, for the quarter ended September 30, 2024 and the period ended on that date respectively, and net cash outflows of Rs. 695.90 lakhs for the period from April 1, 2024 to September 30, 2024, as considered in the Statement which have been reviewed by their respective independent auditors.
 - 1 associate, whose unaudited interim financial results include Group's share of net loss of Rs. 57.22 lakhs and Rs. 107.20 lakhs for the quarter ended September 30, 2024 and for the period from April 1, 2024 to September 30, 2024 respectively, as considered in the Statement whose interim financial results, other financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and associate is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. The comparative financial information for the quarter and six months ended September 30, 2023, as reported in the Statement have been approved by the Board of Directors, but have not been subjected to review by us.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Bharath N S

Partner

ICAI Membership No.: 210934

UDIN: 24210934BKFUPE4692

Place: Chennai

Date: October 28, 2024



Annexure 1: List of entities included in the Consolidated Financial Results

Subsidiary:

1. Northern Arc Investment Adviser Services Private Limited
2. Northern Arc Investment Managers Private Limited
3. Northern Arc Foundation
4. Pragathi Finserv Private Limited
5. Northern Arc Capital Employee Welfare Trust
6. Northern Arc Securities Private Limited

Associate

1. Finreach Solutions Private Limited



NORTHERN ARC CAPITAL LIMITED

CIN: U65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

Statement of Unaudited Consolidated Financial Results for the quarter ended September 30, 2024 and year to date from April 1, 2024 to 30 September 2024

Particulars	Quarter ended			Half year ended		Year ended 31 March 2024
	30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	
	Unaudited	Unaudited	Refer Note i	Unaudited	Refer Note i	
1 Total Income from Operations	58,527.40	57,774.20	43,665.35	1,16,301.60	83,806.97	1,89,008.42
2 Net Profit for the period (before tax, exceptional and/ or extraordinary items)	13,358.41	12,345.00	10,706.81	25,703.41	19,859.98	42,023.61
3 Net Profit for the period before tax, (after exceptional and/ or extraordinary items)	13,358.41	12,345.00	10,706.81	25,703.41	19,859.98	42,023.61
4 Net Profit for the period after tax, (after exceptional and/ or extraordinary items)	9,614.95	9,361.42	7,938.97	18,976.36	15,008.65	31,769.27
Owners of the holding company	9,767.08	9,349.11	7,651.76	19,116.19	14,420.52	30,833.39
Non-controlling Interest	(152.13)	12.31	287.21	(139.82)	588.13	935.88
5 Total Comprehensive income for the period [Comprising profit for the period (after tax) and other comprehensive income (after tax)]	8,328.60	7,979.98	10,760.62	16,308.58	16,181.28	33,794.62
Owners of the holding company	8,482.82	7,966.94	10,442.64	16,449.76	15,587.17	32,850.40
Non-controlling Interest	(154.22)	13.04	317.98	(141.18)	594.11	944.22
6 Paid up Equity Share Capital	16,137.93	8,945.99	8,908.50	16,137.93	8,908.50	8,938.54
7 Reserves (excluding Revaluation Reserve)	3,15,454.14	2,58,528.22	1,95,653.39	3,15,454.14	1,95,653.39	2,14,235.38
8 Securities Premium	1,70,907.83	1,22,522.50	85,752.73	1,70,907.83	85,752.73	86,366.40
9 Net worth (Equity and preference share capital + Reserve and surplus excluding revaluation reserve)	3,31,592.07	2,77,692.81	2,12,826.53	3,31,592.07	2,12,826.53	2,31,438.55
10 Paid up Debt Capital/ Outstanding debt	-	-	-	-	-	-
11 Outstanding Redeemable Preference Shares	-	-	-	-	-	-
12 Debt Equity Ratio (Refer note b)	2.79	3.22	3.49	2.79	3.49	3.90
13 Earnings per share (of Rs. 10 each)	-	-	-	-	-	-
Basic	7.58	10.46	8.57	18.04	16.19	34.61
Diluted	6.73	6.65	5.85	13.38	10.97	23.40
14 Capital Redemption Reserve	3,467.00	3,467.00	3,467.00	3,467.00	3,467.00	3,467.00
15 Debenture Redemption Reserve (Refer note c)	NA	NA	NA	NA	NA	NA
16 Debt Service Coverage Ratio (Refer note d)	NA	NA	NA	NA	NA	NA
17 Interest Service Coverage Ratio (Refer note d)	NA	NA	NA	NA	NA	NA

Note:

- The Sl. No. 1 to 5 and 13 are extracts from the detailed format of statement of unaudited consolidated financial results for the period ended September 30 2024 filed with the stock exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the statement of unaudited consolidated financial results for the period ended September 30 2024 are available on the websites of the stock exchange and the Company.
- Debt-equity ratio is (debt securities+borrowings (other than debt securities)+subordinated liabilities) / net worth i.e. equity share capital + instruments entirely equity in nature + other equity
- As per Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules 2014 read with the Companies Act 2013, Debenture Redemption Reserve is not required to be created for issue of privately placed debentures by Non-Banking Finance Companies registered with Reserve Bank.
- Debt service coverage ratio and interest service coverage ratio is not applicable for Non Banking Finance Company (NBFC) and accordingly no disclosure has been made.
- During the period ended September 30, 2024, the Holding Company has completed an Initial Public Offer ("IPO") of 2,95,97,646 equity shares of face value of Rs 10 each at an issue price of Rs 263 per equity share (Rs 239 per equity share reserved for employees), comprising of offer for sale of 1,05,32,320 equity shares by selling shareholders and fresh issue of 1,90,65,326 equity shares. The equity shares of the Holding Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 24th September 2024.
- The above financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable. These unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on October 28, 2024 and have been subjected to a limited review by the statutory auditors of the Holding Company. The auditors have issued an unmodified opinion on the financial results.
- In terms of the requirement as per RBI notification no. RBI/ 2019/170 DOR (NBFC) CC PD No. 109/22 10.106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards: Non Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition asset classification and provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including provision on standard assets) as at September 30 2024 and accordingly, no amount is required to be transferred to impairment reserve.
- In compliance with regulations of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015, limited review of financial results for the quarter and half year ended September 30 2024 has been carried out by the Statutory Auditors of the Company.
- The comparative figures for the quarter and six months ended September 30, 2023 included in these Unaudited Consolidated Financial Results have been neither reviewed nor audited by the statutory auditors of the Holding Company. Management of the Group and associate has taken necessary care and diligence to ensure that the financial results for such periods are fairly stated.
- For the items referred in sub-clauses (a), (b), (d) of the Regulation 52 (4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015, the pertinent disclosures have been made to the Stock Exchange(s) Bombay Stock Exchange and National Stock Exchange of India Limited in annexure I annexed to the unaudited standalone financial results, which can be accessed on the URL <https://www.northernarc.com/investor>

Place : Mumbai
Date : October 28, 2024

Ashish Mehrotra
Managing Director & CEO



At

Northern Arc Capital Limited
CIN: U65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended September 30, 2024 and year to date from April 1, 2024 to 30 September 2024

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

Particulars	Quarter ended			Six months ended		Year ended
	30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
	Unaudited	Unaudited	Refer Note 3	Unaudited	Refer Note 3	Audited
Revenue from operations						
Interest income	55,281.95	54,912.74	39,302.70	1,10,194.69	75,752.08	1,71,211.16
Fee and commission income	2,427.66	1,901.16	1,883.39	4,328.82	3,359.18	8,492.77
Net gain on fair value changes	(69.01)	960.30	1,434.91	891.29	3,036.40	4,561.95
Net gain on derecognition of financial instruments	886.80	-	1,044.35	886.80	1,659.31	4,742.54
Total revenue from operations	58,527.40	57,774.20	43,665.35	1,16,301.60	83,806.97	1,89,008.42
Other income	62.06	467.89	284.58	529.95	680.86	1,594.83
Total income	58,589.46	58,242.09	43,949.93	1,16,831.55	84,487.83	1,90,603.25
Expenses						
Finance costs	20,525.58	20,934.44	17,438.36	41,460.02	33,832.67	72,638.50
Fees and commission expense	6,776.31	7,679.32	5,063.85	14,455.63	7,896.72	22,081.94
Employee benefits expenses	7,210.43	7,041.55	5,762.76	14,251.98	11,125.95	24,160.72
Impairment on financial instruments	7,837.12	5,135.54	1,319.93	12,972.66	4,512.03	12,243.79
Depreciation and amortisation	317.74	387.47	420.00	705.21	763.63	1,694.42
Other expenses	2,506.65	4,668.79	3,140.02	7,175.44	6,391.15	15,663.06
Total expenses	45,173.83	45,847.11	33,144.92	91,020.94	64,522.15	1,48,482.43
Profit before share of profit/loss of associate and taxes	13,415.63	12,394.98	10,805.01	25,810.61	19,965.68	42,120.82
Share of loss from Associates	(57.22)	(49.98)	(98.20)	(107.20)	(105.70)	(97.21)
Profit before tax	13,358.41	12,345.00	10,706.81	25,703.41	19,859.98	42,023.61
Tax expense						
Current tax	4,214.96	3,700.11	2,487.33	7,915.07	4,718.33	10,881.12
Adjustment of tax relating to earlier periods	0.00	-	25.50	0.00	25.50	46.92
MAT Credit entitlement	-	-	(1.90)	-	(1.90)	-
Deferred tax charge / (benefit)	(471.50)	(716.53)	256.91	(1,188.03)	109.40	(673.70)
Total tax expense	3,743.46	2,983.58	2,767.84	6,727.04	4,851.33	10,254.34
Profit for the period / year	9,614.95	9,361.42	7,938.97	18,976.37	15,008.65	31,769.27
Other comprehensive income						
Items that will not be reclassified to profit or loss in subsequent periods						
Remeasurement gain / (loss) on the defined benefit plans	(28.00)	5.08	3.46	(22.92)	33.54	116.50
Income tax relating to items that will not be reclassified to profit or loss	5.20	0.57	(0.87)	5.77	(8.44)	(29.32)
	(22.80)	5.65	2.59	(17.15)	25.10	87.18
Items that will be reclassified to profit or loss in subsequent periods						
Net gain / (loss) on Financial Instruments through other comprehensive income	(1,832.73)	(2,067.90)	289.47	(3,900.63)	1,402.60	1,228.99
Income tax relating to items that will be reclassified to profit or loss	461.30	520.49	(39.43)	981.79	(330.78)	(293.34)
	(1,371.43)	(1,547.41)	250.04	(2,918.84)	1,071.82	919.65
Net gain/(loss) on effective portion of Cash Flow Hedges	144.17	214.24	3,433.17	358.41	101.21	1,362.19
Income tax relating to items that will be reclassified to profit or loss	(36.29)	(53.92)	(864.15)	(90.21)	(25.50)	(342.86)
	107.88	160.32	2,569.02	268.20	75.71	1,019.33
Share of other comprehensive income from associates	-	-	-	-	-	(0.81)
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	-	-	-	-	-	(0.81)
Other comprehensive income for the year / period (net of income taxes)	(1,286.35)	(1,381.44)	2,821.65	(2,667.79)	1,172.63	2,025.35
Total comprehensive income for the year / period (net of income taxes)	8,328.60	7,979.98	10,760.62	16,308.58	16,181.28	33,794.62
Profit for the year / period attributable to						
Owners of the holding company	9,767.08	9,349.11	7,651.76	19,116.19	14,420.52	30,833.39
Non-controlling Interest	(152.13)	12.31	287.21	(139.82)	588.13	935.88
Other comprehensive income for the year / period, net of income taxes						
Owners of the holding company	(1,284.26)	(1,382.17)	2,790.88	(2,666.43)	1,166.65	2,017.01
Non-controlling Interest	(2.09)	0.73	30.77	(1.36)	5.98	8.34
Total comprehensive income for the year / period, net of income taxes						
Owners of the holding company	8,482.82	7,966.94	10,442.64	16,449.76	15,587.17	32,850.40
Non-controlling Interest	(154.22)	13.04	317.98	(141.18)	594.11	944.22
Earnings per equity shares, of INR 10 each [Equity shares, par value of Rs.10 each]						
Basic (in rupees)	7.58	10.46	8.57	18.04	16.19	34.61
Diluted (in rupees)	6.73	6.65	5.85	13.38	10.97	23.40
	* Not Annualised	* Not Annualised	* Not Annualised	* Not Annualised	* Not Annualised	Annualised

See accompanying notes to the unaudited Consolidated financial results



Northern Arc Capital Limited
CIN: U65910TN1989PLC017021

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Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended September 30, 2024 and year to date from April 1, 2024 to 30 September 2024

Note:1 Statement of unaudited consolidated assets and liabilities as at September 30, 2024

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

Particulars	As at 30 September 2024 (Unaudited)	As at 31 March 2024 (Audited)
ASSETS		
Financial assets		
Cash and cash equivalents	43,548.77	17,940.08
Bank balances other than cash and cash equivalents	37,547.66	22,834.26
Derivative financial instruments	5,515.02	5,481.94
Trade receivables	2,027.38	2,534.94
Loans	10,00,406.54	9,20,958.93
Investments	1,76,363.80	1,78,070.50
Other financial assets	10,348.56	8,391.42
	12,75,757.73	11,56,212.07
Non-financial assets		
Current tax assets (net)	1,322.42	2,404.34
Deferred tax assets (net)	5,580.65	3,475.92
Property, plant and equipment	882.94	666.22
Intangible assets under development	231.13	231.13
Goodwill	2,332.50	2,347.77
Other intangible assets	1,109.02	1,179.25
Right of use asset	1,336.09	1,472.23
Investment in associates	281.97	388.65
Other non- financial assets	4,799.30	2,388.31
	17,876.02	14,553.82
TOTAL ASSETS	12,93,633.75	11,70,765.89
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Derivative financial instruments	808.14	298.65
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	16,708.00	12,848.32
Debt securities	1,69,692.74	1,41,372.46
Borrowings (Other than debt securities)	7,57,441.27	7,63,403.15
Other financial liabilities (including lease liabilities)	10,573.82	15,505.82
	9,55,223.97	9,33,428.40
Non-financial liabilities		
Provisions	2,315.36	3,206.48
Current tax liabilities (net)	2,660.65	461.50
Deferred tax liabilities (net)	79.63	71.89
Other non-financial liabilities	1,173.15	1,556.46
	6,228.79	5,296.33
EQUITY		
Equity share capital	16,137.93	8,938.54
Instruments entirely equity in nature	-	8,264.64
Other equity	3,15,454.14	2,14,235.38
Equity attributable to the equity holder of the holding company	3,31,592.07	2,31,438.56
Non-controlling interest (NCI)	588.92	602.60
Total equity	3,32,180.99	2,32,041.16
Total liabilities and equity	12,93,633.75	11,70,765.89

See accompanying notes to the unaudited consolidated financial results



Northern Arc Capital Limited
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Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended September 30, 2024 and year to date from April 1, 2024 to 30 September 2024

Note 2: Statement of unaudited consolidated cash flows for the six months ended September 30, 2024

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

Particulars	Six months ended September 30, 2024	Six months ended September 30, 2023
A Cash flow from operating activities		
Profit before tax	25,703.41	19,859.98
Adjustments to reconcile restated profit before tax to net cash flows:		
Depreciation and amortisation expenses	705.21	763.50
Write off of intangible assets under development	-	18.60
Unrealised (gain)/loss on investments	478.80	20.10
Interest income on loans, fixed deposits and investments	(1,10,194.69)	(75,744.80)
Gain on investments in mutual fund	(172.46)	(387.10)
(Profit)/Loss on sale of investments	(166.27)	(322.80)
Impairment on financial instruments	(16,429.48)	(7,173.80)
Bad debts written off	29,402.15	11,685.80
Employee share based payment expenses	637.42	1,044.60
(Gain)/loss on account of lease foreclosed	(0.78)	(0.30)
Amortisation of discount on commercial papers	1,373.96	-
Share of loss of Associate	107.20	105.70
Interest on income tax refund	-	(92.20)
Net gain on derecognition of financial assets	(886.80)	(1,659.30)
Finance costs	40,086.06	33,832.70
Cash used in operations before working capital changes and adjustm	(29,356.27)	(18,049.32)
Changes in working capital and other changes:		
(Increase) / Decrease in other financial assets	(62.76)	708.10
(Increase) / Decrease in trade receivables	1,630.01	1,506.00
(Increase) / Decrease in loans	(1,23,538.33)	(1,49,723.70)
(Increase) / Decrease in other non-financial assets	(2,272.69)	(189.10)
(Increase) / Decrease in other bank balances	(14,898.89)	2,364.50
(Increase) / Decrease in Investments	1,738.95	(357.10)
(Increase) / Decrease in other financial liabilities	(6,068.13)	(547.80)
(Decrease) / Increase in other non-financial liabilities	(152.79)	(17.20)
(Decrease) / Increase in trade payables and provisions	1,748.69	3,236.31
Cash used in operations before adjustments	(1,71,232.21)	(1,61,069.31)
Proceeds from de-recognition of financial assets	16,135.14	32,580.10
Interest income received on loans, fixed deposits and investments	1,08,965.34	72,643.80
Recovery from written off assets	21,637.12	-
Finance cost paid	(39,601.43)	(34,567.60)
Income tax paid (net)	(4,616.53)	(4,037.50)
Net cash flow used in operating activities	(68,712.57)	(94,450.51)
B Cash flows from investing activities		
Purchase of property, plant and equipment (net of proceeds)	(617.66)	(1,445.21)
Purchase of investments	(4,19,472.70)	(4,09,025.00)
Proceeds from sale of investments	4,19,741.18	4,22,305.13
Term deposit with scheduled banks	401.93	(423.48)
Payment towards acquisition of specified assets and liabilities (net of cash	-	-
Payment towards transfer of specified assets & liabilities to subsidiary (ne	-	-
Investment in associate	-	(175.00)
Interest income received	40.13	1,005.10
Net cash used in investing activities	92.88	12,241.54
C Cash flow from financing activities		
Proceeds from issue of debt securities	82,500.00	37,451.80
Repayment of debt securities	(55,942.41)	(42,637.80)
Proceeds from borrowings (other than debt securities)	4,56,667.01	2,16,740.20
Repayment of borrowings (other than debt securities)	(4,71,844.88)	(1,27,842.20)
Repayment of Subordinated liabilities	-	(4,000.00)
Payment of principal portion of lease liabilities	(212.67)	(283.90)
Payment of interest on lease liabilities	(61.34)	(26.50)
Proceeds from issue of equity share capital including securities premium	83,122.67	51.80
Distributions of surplus in funds to NCI	-	(781.00)
Net cash flow from/ (used in) financing activities	94,228.38	78,672.40
Net increase / (decrease) in cash and cash equivalents	25,608.69	(3,536.57)
Cash and cash equivalents at the beginning of the year	17,940.08	23,234.01
Cash and cash equivalents at the end of the year	43,548.77	19,697.44
Components of cash and cash equivalents:		
Cash on hand	9.87	61.18
Balances with banks		
- in current accounts	42,988.83	18,086.02
- in deposit accounts free of lien	550.07	1,550.24

See accompanying notes to the unaudited consolidated financial results



Northern Arc Capital Limited
CIN: U65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113

Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended September 30, 2024 and year to date from April 1, 2024 to 30 September 2024

Notes:

- The Unaudited Consolidated Financial Results of the Group and associate have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and in terms of Regulation 33 of the SEBI LODR. These unaudited consolidated financial results, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on October 28, 2024 and have been subjected to a limited review by the statutory auditors of the Holding Company. Also refer Note 3 below.
- The Unaudited Consolidated Financial Results include the financial results of the Holding Company, its subsidiaries (collectively referred as "Group") and its associate listed in Annexure II.
- The comparative figures for the quarter and six months ended September 30, 2023 included in these Unaudited Consolidated Financial Results have been neither reviewed nor audited by the statutory auditors of the Holding Company. Management of the Group and associate has taken necessary care and diligence to ensure that the financial results for such periods are fairly stated.
- During the period ended September 30, 2024, the Holding Company, pursuant to the approval by the Board of Directors and its shareholders, has made private placement offer and raise funds up to INR 38,200 Lakhs by offering and issuing:
(i) 84,91,048 Series C Compulsorily Convertible Preference Shares having a face value of INR 20 each for a consideration of INR 391 per share and;
(ii) 12,78,772 Series C2 Compulsorily Convertible Preference Shares having a face value of INR 20 each for a consideration of INR 391 per share by way of preferential allotment.
- During the period ended September 30, 2024, 5,10,93,024 compulsorily convertible preference shares (including 97,69,820 compulsorily convertible preference shares privately placed, as described in note 4 above), issued by the Holding Company were converted into 52,616,624 Equity Shares of INR 10 each.
- During the six months ended September 30, 2024, the Holding Company has completed an Initial Public Offer ("IPO") of 2,95,97,646 equity shares of face value of Rs 10 each at an issue price of Rs 263 per equity share (Rs 239 per equity share reserved for employees), comprising of offer for sale of 1,05,32,320 equity shares by selling shareholders and fresh issue of 1,90,65,326 equity shares. The equity shares of the Holding Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 24th September 2024. The details of IPO proceeds of Rs. 4,498.20 lakhs (net of share issue expenses), are as follows:

Objects of the issue	IPO Proceeds	Rs. in Lakhs	
		Utilisation upto Sept 30, 2024	Unutilised as at Sept 30, 2024
Meet future capital requirements towards onward lending	4,498.20	2,513.97	1,984.23
Total	4,498.20	2,513.97	1,984.23

- During the period ended September 30, 2024, pursuant to Northern Arc Employee Stock Option Scheme, 2016 and Northern Arc Employee Stock Option Scheme, 2018, the Board of Directors allotted 311,966 fully paid-up equity shares of Rs 10 each at an aggregate premium of Rs 637.26 Lakhs.
- The segment reporting in accordance with Ind AS 108 on "Operating Segments" in respect of the consolidated financials results are given in Annexure III.
- All secured listed non-convertible debentures issued by the Holding Company are secured by way of an exclusive first charge on book debts with security to the extent as stated in the respective information memorandums. Further, the Holding Company has maintained asset cover as stated in the respective information memorandums which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.
- Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period ended September 30, 2024 is attached as Annexure I to the unaudited standalone financial results of the holding company.

Place: Mumbai
Date: October 28, 2024



For and on behalf of the Board of Directors

Ashish Mehrotra
Managing Director & CEO



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Annexure II : List of entities included in the Consolidated Financial Results

Subsidiaries:

1. Northern Arc Investment Adviser Services Private Limited
2. Northern Arc Investment Managers Private Limited
3. Northern Arc Foundation
4. Pragathi Finserv Private Limited
5. Northern Arc Capital Employee Welfare Trust
6. Northern Arc Securities Private Limited

Associate:

1. Finreach Solutions Private Limited



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Statement of unaudited consolidated financial results of Northern Arc Capital Limited (the Holding Company) for the quarter ended September 30, 2024 and year to date from April 1, 2024 to 30 September 2024

(All amounts are in Indian Rupees in lakhs, except share data and unless otherwise stated)

Annexure III - Unaudited Consolidated Segment wise Revenue, Results, Segment Assets, Segment Liabilities and Capital Employed

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
Segment Revenue						
Financing activity	57,624.01	56,999.66	42,713.41	1,14,623.67	81,607.70	1,84,048.11
Investment advisory services	-	-	(5.27)	-	-	-
Investment management services	920.46	859.98	1,118.37	1,780.44	1,893.60	3,550.48
Portfolio management services	-	-	568.68	-	1,139.50	1,628.10
Others	898.07	3,317.51	2,269.94	4,215.58	4,184.17	10,675.09
Total	59,442.54	61,177.15	46,665.13	1,20,619.69	88,824.97	1,99,901.78
Less: Intersegment revenue	(915.14)	(3,402.95)	(2,999.78)	(4,318.09)	(5,018.00)	(10,893.37)
Total Segment revenue	58,527.40	57,774.20	43,665.35	1,16,301.60	83,806.97	1,89,008.41
Segment Results (Profit before other income)						
Financing activity	15,281.89	11,391.72	9,841.49	26,673.61	17,727.65	36,515.78
Investment advisory services	(0.85)	(3.01)	9.70	(3.86)	(2.80)	(6.30)
Investment management services	(210.92)	(249.11)	365.99	(460.03)	398.20	(14.43)
Portfolio management services	-	-	503.93	-	955.30	1,392.46
Others	(1,716.55)	787.49	(200.68)	(929.06)	206.47	2,638.48
Total	13,353.57	11,927.09	10,520.43	25,280.66	19,284.82	40,525.99
Add: Other income	62.06	467.89	284.58	529.95	680.86	1,594.83
Less: Share of loss post tax from associate	(57.22)	(49.98)	(98.20)	(107.20)	(105.70)	(97.21)
Profit before tax	13,358.41	12,345.00	10,706.81	25,703.41	19,859.98	42,023.61
Segment assets						
Financing activity	12,72,523.45	11,89,017.49	10,06,627.93	12,72,523.45	10,06,627.93	11,47,464.99
Investment advisory services	408.76	396.54	384.50	408.76	384.50	397.55
Investment management services	14,728.11	17,165.22	5,893.40	14,728.11	5,893.40	16,731.92
Portfolio management services	-	-	19,740.50	-	19,740.50	-
Others	5,798.80	6,536.66	4,294.97	5,798.80	4,294.97	5,996.80
Unallocated	174.63	174.63	174.63	174.63	174.63	174.63
Total	12,93,633.75	12,13,290.54	10,37,115.93	12,93,633.75	10,37,115.93	11,70,765.89
Segment Liabilities						
Financing activity	9,50,738.14	9,31,502.86	8,11,383.36	9,50,738.14	8,11,383.36	9,35,813.53
Investment advisory services	2.62	1.43	8.85	2.62	8.85	5.66
Investment management services	8,849.28	1,037.68	678.10	8,849.28	678.10	1,209.81
Portfolio management services	-	-	402.50	-	402.50	-
Others	1,862.72	2,376.36	772.99	1,862.72	772.99	1,695.74
Total	9,61,452.76	9,34,918.33	8,13,245.80	9,61,452.76	8,13,245.80	9,38,724.74
Capital employed (Segment assets - Segment liabilities)						
Financing activity	3,21,785.31	2,57,514.63	1,95,244.57	3,21,785.31	1,95,244.57	2,11,651.46
Investment advisory services	406.14	395.11	375.65	406.14	375.65	391.89
Investment management services	5,878.83	16,127.54	5,215.30	5,878.83	5,215.30	15,522.11
Portfolio management services	-	-	19,338.00	-	19,338.00	-
Others	4,110.71	4,334.93	3,696.61	4,110.71	3,696.61	4,475.69



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