

November 04, 2022

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001 Dear Sir/Madam,

**Sub: Intimation of outcome of board meeting**

Pursuant to Regulation 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), we wish to inform that, the board of directors of the Company (the "Board") at their meeting held on November 04, 2022, have *inter alia* considered and approved the following matters:

**Financial Results:**

The financial results of the Company for the quarter ended on September 30, 2022, was considered and approved by the Board. Accordingly, please find enclosed herewith the following:

- a) Financial results as per regulation 52 of LODR along with the Limited Review Report issued by the statutory auditors of the Company.
- b) Statement of disclosure under Regulations 52(4) of LODR.
- c) Statement of security cover under Regulation 54 of LODR as on September 30, 2022.
- d) Statement indicating the utilization of issue proceeds of non-convertible debentures under Regulation 52(7) of the LODR for the quarter ended on September 30, 2022.
- e) Related Party Disclosure for the half year ended 30<sup>th</sup> September 2022 under Regulation 23(9) of LODR.

Further, the Board meeting started at 11:30 am IST and concluded at 4:45 pm IST.

Request you to kindly take the intimation on record.

Thanking you.

Yours sincerely,

**For Northern Arc Capital Limited**



**R Sridhya**  
Company Secretary

**Northern Arc Capital Limited**

10th Floor, Phase-I, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai 600 113, India  
+91 44 6668 7000 | contact@northernarc.com | northernarc.com

CIN.: U65910TN1989PLC017021

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Northern Arc Capital Limited (the "Company") pursuant to the Regulation 52 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 standalone financial results of Northern Arc Capital Limited (the "Company") for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The 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 and 52 of the Listing Regulations. The Statement has been approved by the 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the 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.
5. The comparative Ind AS standalone financial information of the Company for the corresponding quarter and six-month period ended September 30, 2021, included in these standalone financial results, were reviewed by the predecessor auditor who expressed an unmodified conclusion on those standalone financial information on November 9, 2021.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Bharath N S  
PartnerMembership No.: 210934  
UDIN: 22210934BBZZPX2643  
Place: Chennai  
Date: November 4, 2022



Northern Arc Capital Limited  
CIN: U65910TN1989PLC017021

Regd. Office: IITM Research Park, Phase I, 10th Floor, Kanagam Village, Taramani, Chennai - 600 113  
Statement of unaudited standalone financial results for the quarter and half year ended 30 September 2022

Particulars	(All amounts are in rupees lakhs, unless otherwise stated)					
	Quarter ended			Six Month ended		Year ended
	30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Revenue from operations</b>						
Interest income	27,393.58	26,241.05	17,374.51	53,634.63	33,754.88	75,550.32
Fees and commission income	2,170.34	884.40	1,633.63	3,054.74	3,112.19	6,604.23
Net gain on fair value changes	706.24	665.53	934.12	1,371.77	2,021.74	4,749.96
Net gain on derecognition of financial instruments	57.30	-	-	57.30	-	-
<b>Total revenue from operations</b>	<b>30,327.46</b>	<b>27,790.98</b>	<b>19,942.26</b>	<b>58,118.44</b>	<b>38,888.81</b>	<b>86,904.51</b>
Other income	59.84	63.00	50.05	122.84	333.98	507.42
<b>Total income</b>	<b>30,387.30</b>	<b>27,853.98</b>	<b>19,992.31</b>	<b>58,241.28</b>	<b>39,222.79</b>	<b>87,411.93</b>
<b>Expenses</b>						
Finance costs	13,743.92	12,555.24	9,388.89	26,299.16	18,872.31	41,026.93
Fees and commission expense	3,468.91	3,640.24	993.29	7,109.15	1,675.24	5,273.22
Impairment on financial instruments	1,071.90	1,270.34	663.09	2,342.24	2,822.59	3,684.74
Employee benefits expenses	2,164.99	2,463.08	2,083.97	4,628.07	3,867.54	8,771.65
Depreciation and amortisation	340.52	350.88	206.29	691.40	357.31	911.82
Other expenses	2,620.33	1,045.40	940.71	3,665.73	1,485.68	5,034.73
<b>Total expenses</b>	<b>23,410.57</b>	<b>21,325.18</b>	<b>14,276.24</b>	<b>44,735.75</b>	<b>29,080.67</b>	<b>64,703.09</b>
<b>Profit before tax</b>	<b>6,976.73</b>	<b>6,528.80</b>	<b>5,716.07</b>	<b>13,505.53</b>	<b>10,142.12</b>	<b>22,708.84</b>
<b>Tax expense</b>						
Current tax	2,327.00	2,139.00	1,127.00	4,466.00	1,628.00	4,718.00
Deferred tax charge / (benefit)	(518.98)	(561.67)	387.31	(1,080.65)	1,146.65	1,617.91
	1,808.02	1,577.33	1,514.31	3,385.35	2,774.65	6,335.91
<b>Profit for the period / year</b>	<b>5,168.71</b>	<b>4,951.47</b>	<b>4,201.76</b>	<b>10,120.18</b>	<b>7,367.47</b>	<b>16,372.93</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit asset/ (liability)	(53.00)	(53.00)	28.86	(106.00)	(73.61)	(171.43)
Income tax relating to items that will not be reclassified to profit or loss	13.34	13.34	(7.26)	26.68	18.53	43.15
<b>Net other comprehensive income not to be reclassified subsequently to profit or loss</b>	<b>(39.66)</b>	<b>(39.66)</b>	<b>21.60</b>	<b>(79.32)</b>	<b>(55.08)</b>	<b>(128.28)</b>
<b>Items that will be reclassified subsequently to profit or loss</b>						
Fair valuation of Financial Instruments through other comprehensive income (Net)	1,525.56	(1,294.40)	109.81	231.16	(429.94)	(1,376.89)
Income tax relating to items that will be reclassified to profit or loss	(383.98)	325.80	(27.68)	(58.18)	108.21	346.56
	1,141.58	(968.60)	82.13	172.98	(321.73)	(1,030.33)
<b>Net movement on effective portion of Cash Flow Hedges</b>	<b>(801.14)</b>	<b>(833.12)</b>	<b>(109.98)</b>	<b>(1,634.26)</b>	<b>(258.33)</b>	<b>(2,092.39)</b>
Income tax relating to items that will be reclassified to profit or loss	201.65	209.70	27.72	411.35	65.02	526.66
	(599.49)	(623.42)	(82.26)	(1,222.91)	(193.31)	(1,565.73)
<b>Net other comprehensive income to be reclassified subsequently to profit or loss</b>	<b>542.09</b>	<b>(1,592.02)</b>	<b>(0.13)</b>	<b>(1,049.93)</b>	<b>(515.04)</b>	<b>(2,596.06)</b>
<b>Other comprehensive income for the period / year, net of income tax</b>	<b>502.43</b>	<b>(1,631.68)</b>	<b>21.47</b>	<b>(1,129.25)</b>	<b>(570.12)</b>	<b>(2,724.34)</b>
<b>Total comprehensive income for the period / year, net of income tax</b>	<b>5,671.14</b>	<b>3,319.79</b>	<b>4,223.23</b>	<b>8,990.93</b>	<b>6,797.35</b>	<b>13,648.59</b>
<b>Earnings per equity share of Rs 10 each*</b>						
Basic (in rupees)	5.81	5.57	4.77	11.38	8.37	18.52
Diluted (in rupees)	3.90	3.75	3.20	7.65	5.61	12.43
	*Not annualised	*Not annualised	*Not annualised	*Not annualised	*Not annualised	*Annualised

See accompanying notes to the unaudited standalone 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 standalone unaudited financial results of Northern Arc Capital Limited (the "Company") for the quarter and half year ended September 30, 2022

Statement of Unaudited Standalone Balance Sheet as at 30 September 2022

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

Particulars	As at 30 September 2022 (Unaudited)	As at 31 March 2022 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	11,945.35	70,421.30
Bank balances other than cash and cash equivalents	30,845.63	8,734.44
Derivative financial instruments	4,480.75	151.85
Trade receivables	1,684.35	1,814.50
Loans	5,79,093.12	5,22,265.41
Investments	1,75,781.49	1,63,934.08
Other financial assets	974.95	7,067.38
	<b>8,04,805.64</b>	<b>7,74,388.96</b>
<b>Non-financial assets</b>		
Current tax assets (net)	4,164.56	4,056.59
Deferred tax assets (net)	2,820.83	1,360.33
Property, plant and equipment	203.66	157.86
Right of use asset	632.31	780.91
Intangible assets under development	292.96	28.44
Other intangible assets	2,281.11	940.10
Goodwill	725.13	-
Other non- financial assets	833.45	1,807.59
	<b>11,954.01</b>	<b>9,131.82</b>
<b>TOTAL ASSETS</b>	<b>8,16,759.65</b>	<b>7,83,520.78</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Derivative financial instruments	84.21	643.82
Trade payables	-	-
-total outstanding dues of micro and small enterprises	-	-
-total outstanding dues of creditors other than micro and small enterprises	3,712.75	5,405.12
Debt securities	1,43,063.12	1,34,359.68
Borrowings (other than debt securities)	4,75,564.55	4,59,942.62
Subordinated liabilities	3,993.47	3,993.47
Other financial liabilities	6,367.56	5,598.94
	<b>6,32,785.66</b>	<b>6,09,943.65</b>
<b>Non-financial liabilities</b>		
Provisions	3,362.67	2,159.94
Other non-financial liabilities	451.10	425.75
	<b>3,813.77</b>	<b>2,585.69</b>
<b>EQUITY</b>		
Equity share capital	8,901.45	8,890.75
Instruments entirely equity in nature	8,264.64	8,264.64
Other equity	1,62,994.13	1,53,836.05
	<b>1,80,160.22</b>	<b>1,70,991.44</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>8,16,759.65</b>	<b>7,83,520.78</b>

See accompanying notes to the unaudited standalone financial results





Northern Arc Capital Limited  
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Statement of standalone financial results of Northern Arc Capital Limited (the "Company") for the quarter and half year ended September 30, 2022  
Unaudited Standalone Statement of Cashflows for the half year ended September 30, 2022

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

Particulars	Period ended September 30, 2022	Period ended September 30, 2021
<b>A Cash flow from operating activities</b>		
Profit before tax	13,505.53	10,142.12
<b>Adjustments for:</b>		
Depreciation and amortisation	691.40	357.31
Mark-to-market loss on derivative contracts	(4,888.51)	(159.84)
Interest income on loans, fixed deposits and investments	(53,634.63)	(34,312.21)
Unrealised gain on alternative investment funds designated at fair value through profit or loss	2,151.42	(51.70)
Gain on mutual funds investments designated at fair value through profit or loss	(471.97)	(150.88)
Profit on sale of investments	(1,179.35)	(237.19)
Impairment on financial instruments (net)	2,342.24	2,822.59
Employee share based payment expenses	52.14	410.22
Amortisation of discount on commercial papers	775.82	589.75
Finance costs	25,523.34	17,565.73
<b>Operating profit before working capital changes</b>	<b>(15,132.57)</b>	<b>(3,024.10)</b>
<b>Changes in working capital and other changes:</b>		
(Increase) / Decrease in other financial assets	6,100.44	172.25
(Increase) / Decrease in trade receivables	130.15	668.51
(Increase) in loans	(56,655.00)	(61,960.78)
Decrease in other non financial assets	974.14	(1,148.72)
Decrease / (Increase) in other bank balances	(22,413.19)	(1,550.98)
Increase / (Decrease) in trade payables, other liabilities and provisions	(394.76)	77.17
<b>Cash used in operations</b>	<b>(87,390.79)</b>	<b>(66,766.65)</b>
Interest income received on loans, fixed deposits and investments	52,157.69	33,388.03
Finance cost paid	(26,016.52)	(18,758.13)
Income tax paid (net)	(4,573.97)	(1,507.35)
<b>Net cash flow generated used in operating activities</b>	<b>(A) (65,823.59)</b>	<b>(53,644.10)</b>
<b>B Cash flows from investing activities</b>		
Purchase of Property, plant and equipment	(2,194.12)	(177.78)
Purchase of mutual fund investments	(2,04,000.00)	(65,500.00)
Proceeds from sale of investments in Mutual fund	2,04,471.97	65,650.88
Purchase of investments measured at FVTPL	(10,090.35)	(62,222.22)
Purchase of investments measured at FVOCI	(1,06,794.05)	(24,633.60)
Purchase of investments measured at Amortised cost	(6,500.00)	-
Proceeds from sale of investments measured at FVTPL	14,718.24	40,587.82
Proceeds from sale of investments measured at FVOCI	90,661.46	23,769.03
Proceeds from sale of investments measured at Amortised cost	4,669.42	-
<b>Net cash generated used in investing activities</b>	<b>(B) (15,057.43)</b>	<b>(22,525.87)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of debt securities	78,710.00	51,640.00
Repayment of debt securities	(70,782.38)	(41,426.83)
Proceeds from borrowings (other than debt securities)	1,61,064.63	1,64,600.00
Repayment of borrowings (other than debt securities)	(1,46,534.51)	(78,516.11)
Payment of lease liabilities	(170.37)	(176.16)
Proceeds from issue of equity share capital including securities premium	117.70	744.53
<b>Net cash generated from financing activities</b>	<b>(C) 22,405.07</b>	<b>96,864.83</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C) (58,475.95)</b>	<b>20,694.86</b>
Cash and cash equivalents at the beginning of the period	70,421.30	38,790.21
Cash and cash equivalents at the end of the period	<b>11,945.35</b>	<b>59,485.07</b>



Northern Arc Capital Limited  
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Notes forming part of the Statement of standalone unaudited financial results of Northern Arc Capital Limited (the "Company") for the half year ended September 30, 2022

- 1 Northern Arc Capital Limited ("the Company") is a Non-Deposit taking Systemically Important Non-Banking Financial Company (NBFC-ND-SI), registered with the Reserve Bank of India ("the RBI").
- 2 The Unaudited Standalone Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) 34 - "Interim Financial Reporting" as prescribed under section 133 of the Companies Act 2013 (the Act) and in terms of with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015. Any application guidance/ clarifications/ directions issued by Reserve Bank of India (RBI) are implemented as and when they are issued/ becomes applicable.
- 3 In terms of Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) 2015, this statement of standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 4 November 2022. The above financial results have been subjected to a limited review by the statutory auditors of the Company.
- 4 The Company is primarily in the business of financing and accordingly there are no separate reportable segments in accordance with IND AS 108, on "Operating Segments" in respect of the Company. The Company operates in a single geographical segment, i.e., India.
- 5 The Company has evaluated the impact of COVID-19 on the business and operations of the Company as at September 30, 2022 and is of the view that it does not have any material impact on the financial results of the Company on the basis of the facts and events upto the date of approval of these financial statements/results. However, in view of the dynamic nature of the pandemic, the Company will continue to monitor future events / developments that may result in an adverse effect on the business and operations of the Company.
- 6 a) On February 22, 2022, the Company entered into a business transfer agreement with S.M.I.L.E Microfinance Limited towards purchase of specified business undertaking covering specified assets, liabilities, systems and processes, subject to completion of certain conditions precedent. Upon completion of the conditions precedent and payment of consideration amounting to Rs 11,162.91 Lakhs, the Company purchased the undertaking on April 12, 2022. As required by Ind AS 103 Business Combination, the Company has accounted for assets and liabilities of S.M.I.L.E Microfinance Limited at their respective fair values as at Acquisition Date, and intangibles and resultant goodwill arising from such acquisition in the standalone financial results of the Company as at and for the period(s) ended 30 September, 2022. This accounting treatment is based on management's preliminary assessment of various aspects related to the respective matters as above, and are based on provisional amounts as permitted by paragraph 45 of Ind-AS 103, which provides a measurement period of one year from the acquisition date, to complete the final acquisition accounting. The Company will retrospectively adjust the provisional amounts, as above, to reflect any admissible new information that may arise within the measurement period.
- 7 During the six-month period ended 30 September 2022, pursuant to Northern Arc Employee Stock Option Scheme, 2016 and Northern Arc Employee Stock Option Scheme, 2018, the Board of Directors allotted 1,07,000 fully paid-up equity shares of Rs 10 each at an aggregate premium of Rs 149.03 Lakhs.
- 8 Disclosure as per format prescribed under notification RBI/2020-21/16 DOR No BP BC/3/21.04 048/2020-21 dated 6 August 2020 for the period ended 30 September 2022 (borrowers who has been provided restructuring under RBI Resolution Framework – 2.0):

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	30.16	0.31		16.35	3.50
Corporate persons					
Of which MSMEs	349.18	54.83	-	108.91	185.44
Others	-	-	-	-	-
<b>Total</b>	<b>369.34</b>	<b>55.14</b>	<b>-</b>	<b>125.26</b>	<b>188.94</b>





Northern Arc Capital Limited  
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Notes forming part of the Statement of standalone unaudited financial results of Northern Arc Capital Limited (the "Company") for the half year ended September 30, 2022

- 9 Details of loans transferred/ acquired during the six months period ended September 30, 2022 under Master Directions RBI (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021 are given below:


Details of loans not in default transferred / acquired through assignment:

Particulars	Transferred	Acquired	
		Retail	Non Retail
Aggregate amount of loans transferred/ acquired through assignment *	1,373.03	-	-
Weighted average maturity (in years)	2.55	-	-
Weighted average holding period (in years)	0.21	-	-
Retention of beneficial economic interest by originator	343.26	-	-
Tangible security coverage	NA	-	-
Rating-wise distribution of related loans	NA	-	-

\* Represents the amount of assigned portfolio

- 10 All secured non-convertible debentures issued by the 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 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.
- 11 Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended September 30, 2022 is attached as Annexure 1
- 12 Previous period's figures have been regrouped / reclassified wherever necessary, to conform with current period presentation. The figures for the quarter and half year ended 30 September 2021 have been reviewed by the predecessor statutory auditor

For and on behalf of the Board of Directors  
Northern Arc Capital Limited

  
Ashish Mehrotra  
Managing Director & CEO

Place: Chennai  
Date: November 4, 2022



**Annexure I:**

**1 Analytical ratios / disclosures required under Regulation 52 / 54 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Particulars	Ref	As at	
		30 September 2022	31 March 2022
Debt-equity ratio	1.1	3.45	3.49
Total debts to total assets	1.2	0.76	0.76
Net worth	1.3	1,80,160.22	1,70,991.44
Capital redemption reserve (Amount in lakhs)		2,660.00	2,660.00
Gross Non-Performing Assets (GNPA) Ratio	1.4	0.66%	0.51%
Net Non-Performing Assets (NNPA) Ratio	1.5	0.33%	0.18%
Capital adequacy ratio (CRAR)	1.6	22.46%	28.89%
Asset cover over listed non-convertible debentures	1.7	1.14	1.09

Particulars	Ref	Quarter ended			Half year ended		Year ended
		30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
Net profit margin (%)	1.8	18.66%	11.92%	21.12%	15.44%	17.33%	15.61%

- 1.1 Debt-equity ratio is (Debt Securities+Borrowings (Other than debt securities)) / net worth i.e. Equity share capital + Other equity
- 1.2 Total debts to total assets is Debt Securities and Borrowings (other than debt securities) / Total Assets
- 1.3 Net Worth is equal to Equity share capital + Other equity
- 1.4 GNPA Ratio is Gross Stage 3 (loans+investments) / Gross loans and investments
- 1.5 NNPA Ratio is (Gross Stage 3 term loans - Impairment Loss allowance for Stage 3 term loans)/(Gross term loans- Impairment allowance for Stage 3 term loans)
- 1.6 Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.
- 1.7 Asset cover over listed non-convertible debentures represents the number of times the listed non-convertible debentures is covered through the term loans provided as security.
- 1.8 Net profit margin is Total comprehensive income for the period, net of income tax / Total Income

Other ratios / disclosures such as debt service coverage ratio, interest service coverage ratio, outstanding redeemable preference shares (quantity and value), capital redemption reserve/debenture redemption reserve, current ratio, long term debt to working capital, bad debts to account receivable ratio, current liability ratio, debtors turnover, inventory turnover and operating margin (%) are not applicable / relevant to the Company and hence not disclosed.

**2 Credit Rating:**

The Rating agency have assigned following rating to the company:

Facility	Rating agency
(i) Non-Convertible Debentures	ICRA A+, IND A+
(ii) Commercial Papers	ICRA A1+, CARE A1+
(iii) Subordinated Debt	ICRA A+
(iv) Long term bank facilities	ICRA A+, IND A+
(v) Short term bank facilities	ICRA A1+
(vi) Market Linked debentures	PP-MLD ICRA A+, IND PP-MLD A+ emr





Statement of Security Cover as at September 30, 2022														
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Debt for which this certificate being issued	Exclusive Charge	Debt for which this certificate issued	Yes/No	Assets not offered as Security	Elimination (Amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying /book value for assets where market value is not ascertainable or applicable	Market Value for charge Assets	Carrying value/book value for part passu charge assets where market value is not ascertainable or applicable	Total Value (K+L+M+N)
		Book Value	Book Value	Book Value	Book Value		Book Value			Exclusive basis	not ascertainable or applicable	Assets	is not ascertainable or applicable	
<b>ASSETS</b>														
Property, Plant and Equipment		-	-	-	No	-	203.66	-	203.66	-	-	-	-	-
Trade Receivables		-	-	-	No	-	632.31	-	632.31	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	No	-	725.13	-	725.13	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	-	No	-	2,281.11	-	2,281.11	-	-	-	-	-
Investments		-	-	-	No	-	292.86	-	292.86	-	-	-	-	-
Loans		56,012.78	1,13,231.49	1,13,231.49	No	-	6,565.28	-	1,75,781.49	-	56,012.78	-	-	56,012.78
Inventory		18,139.22	4,87,238.20	4,87,238.20	No	-	73,715.70	-	5,79,093.12	-	18,139.22	-	-	18,139.22
Trade Receivables		-	-	-	No	-	1,584.35	-	1,584.35	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	No	-	11,945.35	-	11,945.35	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	-	No	-	30,845.63	-	30,845.63	-	-	-	-	-
Others		-	-	-	No	-	-	-	-	-	-	-	-	-
<b>Total</b>		74,151.80	6,00,441.66	6,00,441.66	No	-	1,42,166.02	-	8,16,258.65	-	74,151.98	-	-	74,151.98
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains	Secured Non Convertible Debentures (NCDs)				No	-	-	-	65,329.89	65,329.89	-	-	-	65,329.89
Other debt sharing pari-passu charge with above debt					No	-	-	-	-	-	-	-	-	-
Other Debt					No	-	-	-	-	-	-	-	-	-
Subordinated debt					No	-	-	-	-	-	-	-	-	-
Borrowings					No	-	3,893.47	-	3,893.47	-	-	-	-	-
Bank					No	-	-	-	-	-	-	-	-	-
Debt Securities					No	-	-	-	4,75,564.55	-	-	-	-	-
Others					No	-	8,391.98	-	77,734.08	-	-	-	-	-
Trade payables					No	-	3,712.75	-	3,712.75	-	-	-	-	-
Lease Liabilities					No	-	930.42	-	930.42	-	-	-	-	-
Provisions					No	-	3,362.67	-	3,362.67	-	-	-	-	-
Others					No	-	5,971.60	-	5,971.60	-	-	-	-	-
<b>Total</b>		65,329.89	5,44,506.63	5,44,506.63	No	-	26,362.89	-	6,36,699.43	65,329.89	-	-	-	65,329.89
<b>Cover on Book Value *</b>														1.14
<b>Cover on Market Value</b>														1.14

\* Represents carrying value as per books of account underlying the unaudited Financial Statements of the Company as at and for the period ended September 30, 2022  
 \* The security cover ratio pertains to listed NCDs only



November 04, 2022

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

Dear Sir/Madam,

**Sub: Disclosure of nature and extent of security created for the listed non-convertible debt securities of the Company as per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

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With reference to Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to intimate that, all outstanding secured non-convertible debt securities are secured by way of an exclusive charge on identified receivables of the Company with security cover ranging between 1 to 1.25 times of outstanding amount on such securities at any point in time.

Request you to please take the above intimation on record.

Thanking you.

Yours sincerely,

for Northern Arc Capital Limited



Authorised Signatory





November 04, 2022

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

Dear Sir/Madam,

**Sub: Statement indicating the utilization of issue proceeds of non-convertible debentures under Regulation 52(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter ended September 30, 2022.**

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With reference to the above, we hereby confirm that, the proceeds of the issue of Non-convertible Debentures (NCDs) raised up to September 30, 2022, were utilised by Northern Arc Capital Limited for the purpose for which the amounts were raised, as mentioned in the respective offer documents of the issue of NCDs.

Request you to please take the above intimation on record.

Thanking you.

Yours sincerely,

for Northern Arc Capital Limited



Authorised Signatory







**NORTHERN ARC CAPITAL LIMITED**

**DISCLOSURE OF RELATED PARTY TRANSACTIONS for the half year ended September 30 2022**

S No	In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost (see Note 7)	Tenure	Nature (loan/ advance/ corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end usage)
1	Working Capital Demand Loan (Northern Arc Investment Managers Private Limited)	13% to 14%	5 Months	Term Loan	13% to 14%	5 Months	Unsecured	Short term investment
2	Equity Investment (Pragati Finserv Private Limited)	NA	NA	Equity Investment	NA	NA	NA	Capital Investment
3	Term Loan (Dvara Kshetriya Gramin Financial Services Private Limited)	13% to 15.90%	24 to 36 Months	Term Loan	13% to 15.90%	24 to 36 Months	Secured	Utilisation in the normal course of business
4	Equity Investment (Finreach Solution Private Limited)	NA	NA	Equity Investment	NA	NA	NA	Capital Investment
5	Term Loan (Saija Finance Private Limited)	15%	12 months	Term Loan	15%	12 months	Secured	Utilisation in the normal course of business
6	Investment in Non Convertible Debentures (Belstar Investment and Finance Private Limited)	15%	84 months	Investment in NCD	14.50%	84 months	Unsecured	Utilisation in the normal course of business
7	Term Loan (Neogrowth Credit Private Limited)	13.25% to 13.8%	24 months	Term Loan	13.25% to 13.8%	24 months	Secured	Utilisation in the normal course of business



**Notes:**

1. The details in this format are required to be provided for all transactions undertaken during the reporting period. However, opening and closing balances, including commitments, to be disclosed for existing related party transactions even if there is no new related party transaction during the reporting period.
2. Where a transaction is undertaken between members of the consolidated entity (between the listed entity and its subsidiary or between subsidiaries, it may be reported once.
3. Listed banks shall not be required to provide the disclosures with respect to related party transactions involving loans, inter-corporate deposits, advances or investments made or given by the listed banks.
4. For Companies with financial year ending March 31, this information has to be provided for six months ended September 30 and six months ended March 31. Companies with financial years in other months, the six months period shall apply accordingly.
5. Each type of related party transaction (for e.g. sale of goods/services, purchase of goods/services or whether it involves a loan, inter-corporate deposit, advance or investment) with a single party shall be disclosed separately and there should be no clubbing or netting of transactions of same type. However, transactions with the same counterparty of the same type may be aggregated for the reporting period. For instance, sale transactions with the same party may be aggregated for the reporting period and purchase transactions may also be disclosed in a similar manner. There should be no netting off for sale and purchase transactions. Similarly, loan advanced to and received from the same counterparty should be disclosed separately, without any netting off.
6. In case of a multi-year related party transaction:
  - a. The Aggregate value of such related party transaction as approved by the audit committee shall be disclosed in the column "value of the related party transaction as approved by the audit committee"
  - b. The Value of the related party transaction undertaken in the reporting period shall be reported in the column "Value of related party transaction during the reporting period."
7. "Cost" refers to the cost of borrowed funds for the listed entity.
8. PAN will not be displayed on the website of the Stock Exchange(s).
9. Transactions such as acceptance of fixed deposits by banks/NBFCs, undertaken with related parties, at the terms uniformly applicable /offered to all shareholders / public shall also be reported.

