

EKADA CAPITAL LTD

UNAUDITED

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2024

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UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024


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EKADA CAPITAL LTD
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

1.

	Notes	UNAUDITED MAR 2024 Rs.	UNAUDITED MAR 2023 Rs.	AUDITED JUN 2023 Rs.
ASSETS				
Non-current assets				
Plant and equipment	1	-	8,886,325	-
Intangible assets	2	-	50,729	-
Right of use asset	3	-	6,196,011	-
Financial assets at fair value through other comprehensive income	4	-	54,150	-
Deferred tax asset		-	106,113	-
		-	15,293,328	-
Current assets				
Plant and equipment	1	2,187,939	-	3,443,277
Intangible assets	2	5,855	-	23,423
Deferred tax asset		83,887	-	83,887
Right of use asset	3	509,090	-	2,036,361
Financial assets at fair value through other comprehensive income	4	56,470	-	55,550
Trade and other receivables	5	1,531,544	2,733,824	2,893,037
Contract receivables	6	8,564,680	7,145,192	7,100,482
Cash and cash equivalents	10	2,367,674	1,562,126	1,480,487
		15,307,139	11,441,142	17,116,504
Total assets		15,307,139	26,734,470	17,116,504
EQUITY AND LIABILITIES				
Equity				
Stated capital	7	53,600,001	53,600,001	53,600,001
Accumulated losses		(84,604,326)	(56,569,272)	(73,172,134)
Total equity		(31,004,325)	(2,969,271)	(19,572,133)
LIABILITIES				
Non-current liabilities				
Lease liability	3	-	4,423,607	-
Employee benefit liabilities		-	2,062,024	-
		-	6,485,631	-
Current liabilities				
Trade and other payables	8	6,556,069	7,356,330	6,595,365
Restructuring provisions	9	9,445,711	-	9,445,711
Lease liability	3	642,112	2,280,226	2,459,903
Bank overdraft	10	9,499,344	8,581,554	6,449,637
Borrowings	11	19,035,103	5,000,000	10,238,021
Employee benefit liabilities	3	1,133,125	-	1,500,000
		46,311,464	23,218,110	36,688,637
Total liabilities		46,311,464	29,703,741	36,688,637
Total equity and liabilities		15,307,139	26,734,470	17,116,504

The interim financial statements were approved by the Board of Directors on : 15 MAY 2024


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Director


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Director

EKADA CAPITAL LTD
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2024

2.

	Notes	UNAUDITED QUARTER ENDED MAR 2024 Rs.	UNAUDITED QUARTER ENDED MAR 2023 Rs.	UNAUDITED NINE MONTHS ENDED MAR 2024 Rs.	UNAUDITED NINE MONTHS ENDED MAR 2023 Rs.	AUDITED YEAR ENDED JUN 2023 Rs.
Revenue		9,769,907	8,528,864	27,583,234	27,066,069	37,440,615
Other income		17,150	248,689	22,750	592,436	1,069,191
Total revenue		9,787,057	8,777,553	27,605,984	27,658,505	38,509,806
Administrative expenses	10	(13,282,870)	(13,624,648)	(38,002,575)	(43,135,431)	(57,366,234)
Operating loss before restructuring costs		(3,495,813)	(4,847,095)	(10,396,591)	(15,476,926)	(18,856,428)
Restructuring costs		-	-	-	-	(14,125,573)
Operating loss		(3,495,813)	(4,847,095)	(10,396,591)	(15,476,926)	(32,982,001)
Finance costs	11	(491,124)	(289,190)	(1,277,071)	(573,258)	(828,200)
Expected credit losses		5,786	-	177,730	-	(117,490)
Foreign exchange (loss)/gain		153,497	221,046	62,820	143,126	151,110
Loss before tax		(3,827,654)	(4,915,239)	(11,433,112)	(15,907,058)	(33,776,581)
Income tax credit		-	-	-	-	42,148
Loss after tax		(3,827,654)	(4,915,239)	(11,433,112)	(15,907,058)	(33,734,433)
Other comprehensive (loss)/ income:						
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>						
Net movement on financial assets at fair value through other comprehensive income		920	-	920	-	1,400
Remeasurement loss on defined benefit plans		-	-	-	-	1,287,487
Related tax		-	-	-	-	(64,374)
Total comprehensive loss for the period/ year		(3,826,734)	(4,915,239)	(11,432,192)	(15,907,058)	(32,509,920)

EKADA CAPITAL LTD
STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2024

3.

	Stated Capital	Accumulated Losses	Total
	Rs.	Rs.	Rs.
At 1 Jul 2022	53,600,001	(40,662,214)	12,937,787
Loss for the year	-	(33,734,433)	(33,734,433)
Other comprehensive loss for the year	-	1,224,513	1,224,513
At 30 Jun 2023 (AUDITED)	53,600,001	(73,172,134)	(19,572,133)
At 1 Jul 2023	53,600,001	(73,172,134)	(19,572,133)
Total comprehensive loss for the period	-	(11,432,192)	(11,432,192)
At 31 Mar 2024 (UNAUDITED)	53,600,001	(84,604,326)	(31,004,325)

EKADA CAPITAL LTD
STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2024

4.

	UNAUDITED AS AT MAR 2024 Rs.	UNAUDITED AS AT MAR 2023 Rs.
Operating activities		
Loss before tax	(11,433,112)	(15,907,058)
<i>Adjustments for:</i>		
Depreciation & amortisation	1,272,904	2,631,343
Depreciation of right of use asset	1,527,271	1,689,822
Foreign exchange differences	(63,740)	-
Interest expense	1,277,071	573,258
(Decrease)/ Increase in employee benefit liabilities	(366,875)	-
<i>Changes in working capital:</i>		
- Trade and other receivables	1,361,492	(639,417)
- Contract receivables	(1,464,197)	(331,124)
- Trade and other payables	(39,294)	(3,215,852)
Cash (absorbed by) operations	(7,928,480)	(15,199,028)
Interest paid	(479,989)	(322,429)
Net cash (absorbed by) operating activities	(8,408,469)	(15,521,457)
Investing activities		
Purchase of plant and equipment	-	(11,990)
Net cash (used in) from investing activities	-	(11,990)
Financing activities		
Advance/ Repayment of borrowings	8,000,000	5,000,000
Repayment of lease liability	(1,817,791)	(1,846,721)
Net cash generated from financing activities	6,182,209	3,153,279
Net decrease in cash and cash equivalents	(2,226,260)	(12,380,168)
Movement in cash and cash equivalents		
At start of period	(4,969,150)	5,360,740
Decrease in bank balance	(2,226,260)	(12,380,168)
Net foreign exchange differences	63,740	
At end of period	(7,131,670)	(7,019,428)
Represented by:		
Cash in hand and at bank	2,367,674	1,562,126
Bank overdraft	(9,499,344)	(8,581,554)
	(7,131,670)	(7,019,428)

1. PLANT AND EQUIPMENT

	Computer equipment	Furniture and fittings	Other equipment	Total
	Rs.	Rs.	Rs.	Rs.
COST				
At 1 Jul 2023	2,911,479	3,896,556	523,142	7,331,177
Additions	-	-	-	-
At 31 March 2024	2,911,479	3,896,556	523,142	7,331,177
DEPRECIATION				
At 1 Jul 2023	2,112,171	1,457,831	317,898	3,887,900
Additions	-	-	-	-
Charge for the period	559,087	584,483	111,768	1,255,338
At 31 March 2024	2,671,258	2,042,314	429,666	5,143,238
NET BOOK VALUE				
At 31 March 2024	240,221	1,854,242	93,476	2,187,939

	Computer equipment	Furniture and fittings	Other equipment	Total
	Rs.	Rs.	Rs.	Rs.
COST				
At 1 July 2022	2,916,746	11,319,252	511,152	14,747,150
Additions	-	32,637	11,990	44,627
Scrapped	(5,267)	(76,751)	-	(82,018)
Impairment of remaining plant and equipment	-	(7,378,582)	-	(7,378,582)
At 30 June 2023	2,911,479	3,896,556	523,142	7,331,177
DEPRECIATION				
At 1 July 2022	1,144,015	2,024,610	154,768	3,323,393
Scrapped	(4,093)	(19,511)	-	(23,604)
Charge for the year	972,249	2,255,436	163,130	3,390,815
Impairment of remaining plant and equipment	-	(2,802,704)	-	(2,802,704)
At 30 June 2023	2,112,171	1,457,831	317,898	3,887,900
NET BOOK VALUE				
At 30 June 2023	799,308	2,438,725	205,244	3,443,277

2. INTANGIBLE ASSETS

	UNAUDITED PERIOD ENDED MAR 2024	AUDITED YEAR ENDED JUN 2023
COST	Rs.	Rs.
At 1 July 2023	355,556	355,556
Additions	-	-
At 31 Mar 2024	355,556	355,556
AMORTISATION		
At 1 July 2023	332,133	222,905
Charge for the period	17,568	109,228
At 31 Mar 2024	349,701	332,133
NET BOOK VALUE		
At 31 Mar/ 30 Jun	5,855	23,423

3. RIGHT OF USE ASSET AND LEASE LIABILITIES

The Company leases office premises comprising of building and parking areas. The initial lease term was 5 years. The period of the lease has been modified to 3.5 years which led to a modification gain in the statement of profit or loss at 30 June 2023.

Set out below are the carrying amounts of right of use assets recognised and the movements during the period.

RIGHT OF USE ASSET	UNAUDITED PERIOD ENDED MAR 2024	UNAUDITED PERIOD ENDED MAR 2023	AUDITED YEAR ENDED JUN 2023
	Rs.	Rs.	Rs.
At 01 July	2,036,361	7,885,833	7,885,833
Depreciation expense	(1,527,271)	(1,689,822)	(2,253,095)
Modification to lease terms	-	-	(3,596,377)
At 31 Mar/ 30 Jun	509,090	6,196,011	2,036,361

Set out below are the carrying amounts of lease liabilities and the movements during the period.

LEASE LIABILITIES	UNAUDITED PERIOD ENDED MAR 2024	UNAUDITED PERIOD ENDED MAR 2023	AUDITED YEAR ENDED JUN 2023
	Rs.	Rs.	Rs.
At 01 July	2,459,903	8,299,726	8,299,726
Lease payments	(1,902,122)	(1,846,721)	(2,474,484)
Interest expense	84,331	250,828	248,870
Modification to lease terms	-	-	(3,614,209)
At 31 Mar/ 30 Jun	642,112	6,703,833	2,459,903

3. RIGHT OF USE ASSET AND LEASE LIABILITY (Continued)

	UNAUDITED PERIOD ENDED MAR 2024	UNAUDITED PERIOD ENDED MAR 2023	AUDITED YEAR ENDED JUN 2023
	Rs.	Rs.	Rs.
The following are the amounts recognised in the profit or loss:			
Depreciation expense on right of use asset	1,527,271	1,689,822	2,253,095
Interest expense on lease liabilities	84,331	250,828	248,870
Total amount recognised in profit or loss	1,611,602	1,940,650	2,501,965
<i>Analysed as:</i>	Rs.	Rs.	Rs.
Non-current	-	4,423,607	-
Current	642,112	2,280,226	2,459,903
	642,112	6,703,833	2,459,903

The Company has exercised its termination option with the lessor and is expected to vacate the office in the next twelve months. These options are negotiated by the directors and align with the Company's business needs. The directors exercise significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	UNAUDITED PERIOD ENDED MAR 2024	UNAUDITED PERIOD ENDED MAR 2023	AUDITED YEAR ENDED JUN 2023
	Rs.	Rs.	Rs.
At 1 July	55,550	54,150	54,150
Net movement on financial assets at fair value through other comprehensive income	920	-	1,400
At 31 Mar/ 30 Jun	56,470	54,150	55,550

EKADA Capital Ltd effectively holds 100% of the management shares of EKADA India Focus Fund and EKADA Yield Fund Ltd. These investee companies (the "investment vehicle") are not considered as subsidiary companies of EKADA Capital Ltd under IFRS 10 "Consolidated Financial Statements", as the Company is acting as an agent for the investors in the investment vehicles and receives market-based remuneration (management fees) that is commensurate with the services it provides. The investments are classified as level 3 of the fair value hierarchy as the Company holds management shares in the funds, whereby the fair values have been based on cost and the company is entitled to the amount invested.

5. TRADE AND OTHER RECEIVABLES

	UNAUDITED PERIOD ENDED MAR 2024	UNAUDITED PERIOD ENDED MAR 2023	AUDITED YEAR ENDED JUN 2023
	Rs.	Rs.	Rs.
Trade receivables:			
- Receivables from trade debtors	54,045	585,290	1,156,507
- Receivables from related companies	-	-	30,000
Other receivables	782,829	191,787	395,122
Prepayments	694,670	1,956,747	1,311,408
	1,531,544	2,733,824	2,893,037

9. RESTRUCTURING PROVISIONS

	UNAUDITED	UNAUDITED	AUDITED
	PERIOD ENDED	PERIOD ENDED	YEAR ENDED
	MAR	MAR	JUN
	2024	2023	2023
	Rs.	Rs.	Rs.
Penalty on early termination of lease agreement	2,545,711	-	2,545,711
Liquidation costs	6,900,000	-	6,900,000
	9,445,711	-	9,445,711

The restructuring provisions are in respect of the impending scheme of arrangement and liquidation of the Company which have been provided for at 30 June 2023.

10. CASH AND CASH EQUIVALENT

	UNAUDITED	UNAUDITED	AUDITED
	PERIOD ENDED	PERIOD ENDED	YEAR ENDED
	MAR	MAR	JUN
	2024	2023	2023
	Rs.	Rs.	Rs.
Cash in hand and at bank	2,367,674	1,562,126	1,480,487
Bank overdraft	(9,499,344)	(8,581,554)	(6,449,637)
	(7,131,670)	(7,019,428)	(4,969,150)

The Company has secured an overdraft facility of Rs 10,000,000 to enable the Company to meet its financial commitments and cashflow requirements. The facility has been repaid to the bank on 03rd April 2024 on receipt of the proceeds accruing from the vesting of the Company's assets pursuant to a scheme of arrangement lodged before the Supreme Court of Mauritius on 20 November 2023 and which completed on 29 March 2024 (the 'Scheme').

11. BORROWINGS

	Effective	UNAUDITED	UNAUDITED	AUDITED
	interest rate	PERIOD ENDED	PERIOD ENDED	YEAR ENDED
	%	MAR	MAR	JUN
		2024	2023	2023
		Rs.	Rs.	Rs.
Current				
Shareholders' loan - IBL Ltd	7.75%	17,711,528	3,800,000	8,984,004
Shareholders' loan - Intrasia Capital Pte Ltd	7.75%	1,323,575	1,200,000	1,254,017
		19,035,103	5,000,000	10,238,021

The amount due has been repaid to the respective shareholders on 04th April 2024 on receipt of the proceeds accruing from the vesting of the Company's assets pursuant to the Scheme.

12. ADMINISTRATIVE EXPENSES

	UNAUDITED QUARTER ENDED MAR 2024	UNAUDITED QUARTER ENDED MAR 2023	UNAUDITED PERIOD ENDED MAR 2024	UNAUDITED PERIOD ENDED MAR 2023	AUDITED YEAR ENDED JUN 2023
	Rs.	Rs.	Rs.	Rs.	Rs.
Employee benefit expense	8,291,918	8,057,606	21,536,380	26,263,956	34,921,232
Directors' fees	188,750	982,500	653,750	2,697,500	2,930,000
Depreciation & amortisation	424,301	877,914	1,272,904	2,631,343	3,500,043
Depreciation on right of use asset	509,089	563,274	1,527,271	1,689,822	2,253,095
Research & documentation costs	401,595	478,989	1,181,754	1,440,850	1,934,830
Licences	58,632	58,633	176,428	175,898	236,030
Parking and utilities	276,273	291,690	765,105	814,022	1,092,161
Insurance costs	263,594	322,207	912,642	955,774	1,288,828
Professional fees	636,228	252,554	3,812,216	2,594,196	3,664,469
Commission to intermediaries	699,194	411,469	2,047,779	(449,392)	-
IT costs	870,523	812,277	2,315,705	2,152,576	2,945,026
Office expenses	442,572	262,656	1,201,202	779,062	1,033,842
Bank charges	57,571	46,659	154,139	227,320	278,443
Marketing and events	162,630	206,220	281,050	608,511	734,242
Overseas Travel	-	-	164,250	553,993	553,993
	13,282,870	13,624,648	38,002,575	43,135,431	57,366,234

13. FINANCE COSTS

	UNAUDITED QUARTER ENDED MAR 2024	UNAUDITED QUARTER ENDED MAR 2023	UNAUDITED PERIOD ENDED MAR 2024	UNAUDITED PERIOD ENDED MAR 2023	AUDITED YEAR ENDED JUN 2023
	Rs.	Rs.	Rs.	Rs.	Rs.
Interest expense on lease liability	17,921	77,780	84,331	250,828	248,870
Interest expense on borrowings	340,151	89,384	797,082	116,398	238,021
Interest expense on bank overdraft	133,052	122,026	395,658	206,032	341,309
	491,124	289,190	1,277,071	573,258	828,200

14. GOING CONCERN

The Company has a minimum stated unimpaired capital requirement of Rs 1,000,000 as per its CIS Manager license and Rs 600,000 as per its Investment Advisor license, issued by the Financial Services Commission ("FSC"), in accordance with Securities Act 2005 and Securities (Licensing) Rules 2007. At 31 March 2024, the cumulative shareholders' deficit amounted to Rs 31,004,325 and accumulated losses amounted to Rs 84,604,326. This breach has been communicated to the FSC in a timely manner and regular updates are being provided to the FSC upon request. The Company has complied with the minimum unimpaired capital requirement on 03rd April 2024 on receipt of the proceeds accruing from the vesting of the Company's assets pursuant to the Scheme.

The Scheme has completed on 29 March 2024. Pursuant to the Scheme, substantially all of the assets of Ekada Capital Ltd (the "Assets") have been vested in Strategia Wealth Managers Ltd ("Strategia"), thus combining their respective businesses.