

Ref: SEBI/BSE/2023-24/081

Date: January 30, 2024

Scrip Code: 973590, 973619, 973643, 973670, 974084 & 974203

Company Code: 10494

To,
The Manager
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001

Subject: Submission of Unaudited financial results along with the limited review report under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) for the quarter and nine months ended December 31, 2023.

Dear Sir/Madam,

This is to inform that pursuant to the provisions of Regulation 52 of the LODR Regulations, read with circulars and guidelines issued thereunder from time to time, the Board of Directors of M/s Sonata Finance Pvt Ltd (*“the Company”*), at their meeting held on Tuesday, January 30, 2024, has inter-alia considered and approved the Unaudited financial results for the quarter and nine months ended December 31, 2023 along with the Limited Review Report issued by Statutory Auditors of the Company i.e., M/s B R Maheswari & Co. LLP, Chartered Accountants.

Further, please find enclosed herewith the following documents:

- (a) A copy of the Unaudited financial results comprising the Statement of Profit & Loss along with the Limited Review Report for the quarter and nine months ended December 31, 2023 under Regulation 52(2)(a) of the LODR Regulations.
- (b) Disclosures pursuant to Regulation 52(4) of the LODR Regulations.
- (c) Statement pursuant to Regulation 52(7) & (7A) of the LODR Regulations
- (e) Disclosure pursuant to Regulation 54 (2), (3) and 51(2) of the LODR Regulations.

We request you to take the attached in your record.

Thanking You,

For Sonata Finance Private Limited

Anjali Manwani
Siddiqui

Digitally signed by Anjali Manwani
Siddiqui
Date: 2024.01.30 15:58:23 +05'30'

**Anjali Manwani Siddiqui
Company Secretary
Membership No. F12612**

Copy to:

1. Catalyst Trusteeship Limited (Debenture Trustee)

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**To the Board of Directors of
Sonata Finance Private Limited,**

1. We have reviewed the accompanying unaudited financial results of Sonata Finance Private Limited (the "Company" or the "NBFC") for the quarter ended December 31, 2023 and the year to date result for the period April 1 2023 to December 31 2023, which are included in the accompanying Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31 2023 ("the Statement") 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, 2015"), including relevant circulars issued by the SEBI from time to time. We have initialed the Statement for identification purposes only.
2. The Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as prescribed under Section 133 of the Companies Act, 2013 (the "Act"), the relevant provisions of the Act, the circulars, guidelines and directions issued by the Reserve Bank of India (the "RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of the Listing Regulations 2015 including relevant circulars issued by the SEBI from time to time. 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than 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 has not been prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the Listing Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India (RBI) in respect of Income recognition, asset classification, provisioning and other related matters, to the

extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

5. (a) The financial results for the quarter ended December 31 2022 and Nine Months ended December 31 2022 as included in the Statement were neither audited nor subject to review by us. These figures have been reviewed by the erstwhile auditor. Our conclusion is not modified in respect of this matter.

For **B R Maheswari & Co LLP**

Chartered Accountants

Firm Registration Number: 001035N/N500050

Digitally signed by AKSHAY MAHESHWARI

Date: 2024.01.30 16:31:30 +05'30'

Akshay Maheshwari

Partner

Membership Number: 504704

UDIN: 24504704BKEIRD4498

Place: Delhi

Date: January 30, 2024

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE-MONTHS ENDED 31 DECEMBER 2023

(INR in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited (refer note 4)	Audited				
Revenue from operations						
i) Interest income	14,213.23	13,073.42	8,795.85	40,202.96	24,431.16	34,505.73
ii) Fees and commission income	704.55	901.52	917.17	2,576.36	2,885.90	3,905.15
iii) Net gain on derecognition of financial instrument	695.46	539.28	-	1,234.74	-	-
iv) Recovery from impaired loans	370.24	427.60	342.15	1,173.01	988.91	1,471.30
Total revenue from operations	15,983.49	14,941.82	10,055.17	45,187.07	28,305.97	39,882.18
II						
i) Other income	212.60	71.31	676.48	796.33	950.24	616.86
III Total income (I+ II)	16,196.08	15,013.13	10,731.65	45,983.39	29,256.21	40,499.04
Expenses						
i) Finance cost	7,072.18	6,886.15	4,746.96	20,485.18	13,321.72	18,506.38
ii) Impairment on financial instruments	3,550.74	1,910.78	1,104.07	6,981.82	4,508.84	4,753.59
iii) Employee benefit expenses	2,410.50	2,882.51	1,952.56	7,621.39	5,601.52	7,799.31
iv) Depreciation and amortization expense	57.99	53.44	46.62	152.62	116.54	165.82
v) Other expenses	1,203.70	770.05	1,438.55	3,312.50	3,394.21	3,728.87
IV Total expenses	14,295.10	12,502.93	9,288.76	38,553.51	26,942.83	34,953.97
V Profit before tax (III-IV)	1,900.99	2,510.22	1,442.89	7,429.89	2,313.38	5,545.07
VI Tax expense:						
Current tax	930.89	658.06	503.94	2,304.83	503.94	1,255.41
Deferred tax credit	(238.47)	(149.13)	(153.56)	(240.57)	68.85	133.40
Income tax expense	692.44	508.93	350.38	2,064.27	572.79	1,388.81
VII Profit for the period / year (V-VI)	1,208.55	2,001.28	1,092.51	5,365.63	1,740.59	4,156.25

 Anup Kumar Singh
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 Date: 2024.01.30 16:01:34 +05'30'

 Akhilesh Kumar Singh
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 Date: 2024.01.30 16:01:52 +05'30'

(INR in Lakhs)								
Particulars	Quarter ended			Nine months ended		Year ended		
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023		
	Unaudited (refer note 4)	Unaudited (refer note 4)	Unaudited (refer note 4)	Unaudited (refer note 4)	Unaudited (refer note 4)	Audited		
VIII	(i)	Other comprehensive income (OCI) Items that will not be reclassified subsequently to profit or loss						
		-Re-measurement gains/ (losses) on defined benefit plans	-	(595.39)	49.92	(598.30)	30.56	(15.27)
	(ii)	Income tax relating to the above items	-	149.85	(12.56)	150.58	(7.69)	3.84
		Other Comprehensive (Loss)/ Income	-	(445.54)	37.36	(447.72)	22.87	(11.43)
IX		Total Comprehensive Income for the period / year (VII+VIII)	1,208.55	1,555.74	1,129.87	4,917.92	1,763.46	4,144.83
X		Earnings per equity share ('EPS') (face value of Rs. 10/-) (not annualized for the quarter ended)						
		Basic earnings per share (BEPS) (in Rs.)	4.62	7.65	4.19	20.50	6.68	15.94
		Diluted earnings per share (DEPS) (in Rs.)	4.57	7.56	4.16	20.28	6.61	15.77

For and on behalf of the Board of Directors of Sonata Finance Private Limited

Anup Kumar Singh
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Date: 2024.01.30 16:02:21 +05'30'

Anup Kumar Singh
(Managing Director)
DIN:00173413

Akhilesh Kumar Singh
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Date: 2024.01.30 16:02:34 +05'30'

Akhilesh Kumar Singh
(Chief Financial Officer)

Place: Lucknow

Date: 30 January 2024

Notes:

- 1 The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) registered with the Reserve Bank of India ('RBI') classified as a Micro Finance Institution.
- 2 The above unaudited financial results (the 'Statement') have been reviewed by the Audit Committee and on its recommendation, have been approved and taken on record by the Board of Directors at its meeting held on 30 January 2024.
- 3 The Statement have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, by the Companies (Indian Accounting Standards) Rules, 2016, 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.
- 4 In compliance with Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended. The Statement for the quarter and nine months ended 31 December 2023 has been subjected to a limited review by the statutory auditors of the Company.
- 5 The secured listed non-convertible debentures issued by the Company are fully secured by exclusive charge by hypothecation of the Company's book debts/ loan-receivables with security cover ranging between 1.0 to 1.50 times of outstanding principal amount along with interest wherever stipulated as per the information memorandum which is sufficient to discharge the principal and interest amount wherever applicable at all times for the non-convertible debt securities issued. This cover has been maintained as on 31 December 2023.
- 6 As per the terms of the requirement as per RBI notification no. RBI/2019-20/170 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 impairment reserve for any shortfall of Impairment Allowances under Ind AS 109 and as compared to the provision created under the Income Recognition, Asset Classification and Provisioning (IRACP) norms including provision on standard assets as per the Master Direction issued by the RBI vide circular no. RBI/2015-16/20 DNBR (PD) CC.No.047/03.10.119/2015-16, dated I July 2015 ('Master direction-MFI). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 December 2023 and accordingly, no amount is required to be transferred to Impairment reserve.

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Anup Kumar Singh
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Kumar SinghDigitally signed by
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- 7 The Company has performed an assessment of its liquidity position, taking into account the impact of the debt covenant breaches, current liquid funds held and expected inflows from various sources of borrowings and the Company has not received any communication for call back from lenders. Based on the foregoing assessment, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future.

For and on behalf of the Board of Directors of Sonata Finance Private Limited

Anup Kumar Singh
Digitally signed by
Anup Kumar Singh
Date: 2024.01.30
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Anup Kumar Singh
(Managing Director)
DIN:00173413

Akhilesh Kumar Singh
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Akhilesh Kumar Singh
Date: 2024.01.30
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Akhilesh Kumar Singh
(Chief Financial Officer)

Place: Lucknow

Date: 30 January 2024



SONATA Finance Private Limited

2nd Floor, CP-1, PG Towers, Kursi Road, Vikas Nagar,
Lucknow – 226026, Uttar Pradesh
CIN: U65921UP1995PTC035286
Contact No : 0522-4005729
Email: info@sonataindia.com
Website: www.sonataindia.com

Annexure A

Disclosures pursuant to Regulation 52(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended (“LODR Regulations”)

A. Ratios:

Sr. no	Particulars	Nine months	Nine months	Yearly
		Unaudited	Unaudited	Audited
		31-Dec-23	31-Dec-22	31-Mar-23
1	Debt Equity Ratio (in times)	5.35	5.24	5.95
2	Debt service coverage ratio	NA	NA	NA
3	Interest service coverage ratio	NA	NA	NA
4	Outstanding Redeemable Preference Share	NIL	NIL	NIL
5	Net Worth	39,076.15	31,776.85	34,158.21
6	Net profit after tax	5,365.63	1,740.59	4,156.26
7	Earnings per share (basic)	20.50	6.68	15.94
8	Earnings per share (diluted)	20.28	6.61	15.77
9	Current ratio (in times)	NA	NA	NA
10	Long term debt to working capital	NA	NA	NA
11	Bad debts to Account receivable ratio	NA	NA	NA
12	Current liability ratio	NA	NA	NA
13	Total debts to total assets (%)	82.74%	82.93%	84.50%
14	Debtors turnover	NA	NA	NA
15	Inventory turnover	NA	NA	NA
16	Operating margin (%):	NA	NA	NA
17	Net profit margin (%)	11.87%	6.15%	10.42%
18	Gross NPA (%)	4.00%	3.21%	2.72%
19	Net NPA (%)	1.46%	0.73%	0.90%
20	Provision coverage ratio = Provision / Gross NPA	64.51%	77.75%	67.02%
21	Debenture Redemption Reserve	As per item (A) of sub-clause (iv) of clause (b) of Rule 18 (7) of Companies (Share capital and Debentures) Rules, 2014, for NBFCs registered with RBI under section 45-IA of the Reserve Bank of India Act, 1934 and for Housing Finance Companies registered with National Housing Bank, Debenture Redemption Reserve is not required in case of privately placed debentures		

Anup
Kumar
Singh

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Anup Kumar Singh
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Akhilesh
Kumar Singh

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Akhilesh Kumar Singh
Date: 2024.01.30
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SONATA Finance Private Limited

2nd Floor, CP-1, PG Towers, Kursi Road, Vikas Nagar,

Lucknow – 226026, Uttar Pradesh

CIN: U65921UP1995PTC035286

Contact No : 0522-4005729

Email: info@sonataindia.com

Website: www.sonataindia.com

22	CRAR			
(a)	Tier I capital	15.70%	18.61%	16.01%
(b)	Tier II capital	0.34%	0.54%	0.54%
(c)	Total	16.03%	19.15%	16.55%

We confirm that the information submitted above is true and correct and the undersigned has authority to submit the same to you and that we are aware that above information is expected to be placed on the website of your Stock exchange and that of Debenture Trustees.

For and on behalf of the Board of Directors of M/s Sonata Finance Private Limited

Anup Kumar Singh
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Anup Kumar Singh
Date: 2024.01.30
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Anup Kumar Singh
Managing Director
DIN:00173413

Akhilesh Kumar Singh
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Akhilesh Kumar Singh
Date: 2024.01.30
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Akhilesh Kumar Singh
Chief Financial Officer

Place: Lucknow
Date: 30 January 2024

Ref: SEBI/BSE/2023-24/082

Date: January 30, 2024

Scrip Code: 973590, 973619, 973643, 973670, 974084 & 974203

Company Code: 10494

To,
The Manager
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001

Subject: Disclosures pursuant to Regulation 52(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“LODR Regulations”)

Dear Sir/ Madam,

With reference to the captioned subject, we submit herewith the information required as per the provisions of Regulation 52(4) of the LODR Regulations:

1. Debt-Equity Ratio is 5.35 times as per the Standalone Limited reviewed financial results ended December 31, 2023.
2. Debt Service Coverage Ratio: Not applicable on NBFC.
3. Interest Service Coverage Ratio: Not applicable on NBFC
4. Outstanding Redeemable Preference Shares (quantity and value): NIL.
5. Debenture Redemption Reserve: As per item (A) of sub-clause (iv) of clause (b) of Rule 18 (7) of Companies (Share capital and Debentures) Rules, 2014, for NBFCs registered with RBI under section 45-IA of the Reserve Bank of India Act, 1934 and for Housing Finance Companies registered with National Housing Bank, Debenture Redemption Reserve is not required in case of privately placed debentures.
6. Net Worth: Rs. 39,076.15 lakhs
7. Net Profit/Loss after Tax: Rs. 5365.63 Lakhs
8. EPS for quarter ended December 31, 2023: Basic: 20.50, Diluted: 20.28
9. Current ratio: Not Applicable
10. Long term debt to working capital: Not Applicable
11. Bad debts to Account receivable ratio: Not Applicable
12. Current liability ratio: Not Applicable
13. Total debts to total assets: 82.74%
14. Debtors turnover: Not Applicable
15. Inventory turnover: Not Applicable
16. Operating margin (%): Not Applicable
17. Net profit margin (%): 11.87%
18. Sector Specific Ratios, as applicable:
 - a. Gross Non-Performing Asset ('GNPA') as on December 31, 2023: 4%
 - b. Net Non-Performing Asset ('NNPA') as on December 31, 2023: 1.46%

- c. Provision Coverage Ratio as on December 31, 2023: 64.51%
- d. Capital to Risk-Weighted Assets Ratio ('CRAR') as on December 31, 2023:
- Tier I: 15.70%
- Tier II: 0.34%

We confirm that the information submitted above is true and correct and the undersigned has authority to submit the same to you and that we are aware that above information is expected to be placed on the website of your Stock Exchange and that of Debenture Trustees.

For Sonata Finance Private Limited

Anjali Manwani Siddiqui
Digitally signed by
Anjali Manwani Siddiqui
Date: 2024.01.30
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Anjali Manwani Siddiqui
Company Secretary
Membership No. F12612

Ref: SEBI/BSE/2023-24/083

Date: January 30, 2024

Scrip Code: 973590, 973619, 973643, 973670, 974084 & 974203

Company Code: 10494

To,
The Manager
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001

Subject: Submission of Statement under Regulation 52(7) and Nil report under Regulation 52 (7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”)

During the period under review, the company has not issued any Non-Convertible Securities (NCS) and there were no proceeds of the previously issued securities that were remaining to be utilised during the reporting quarter. Therefore, the Nil report for the statement of utilisation pursuant to Regulation 52(7) and the statement of deviation/ variation as per Regulation 52(7A) of the LODR Regulations is enclosed herewith as per the format prescribed vide SEBI Circular No. SEBI/HO/DDHS/PoD1/P/CIR/2023/108 dated July 29, 2022 and further updated as on June 30, 2023.

A. Statement of utilization of issue proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (in Rs. Crores)	Funds utilized (in Rs. Crores)	Any deviation (Yes / No)	In case of deviation, specify the purpose of for which the funds were utilized	Remarks, if any
Sonata Finance Private Limited	NIL	NIL	NIL	NIL	NIL	NIL	No	N.A.	N.A.

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Anjali Manwani Siddiqui
Date: 2024.01.30
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B. Statement of deviation/variation in the use of issue proceeds:

Particulars		Remarks				
Name of listed entity		Sonata Finance Private Limited				
Mode of fund raising		NIL				
Type of instrument		NA				
Date of raising funds		NA				
Amount raised		NA				
Report filed for quarter ended		December 31, 2023				
Is there a deviation/ variation in use of funds raised?		No				
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?		No				
If yes, details of the approval so required?		NA				
Date of approval		NA				
Explanation for the deviation/ variation		NA				
Comments of the audit committee after review		NA				
Comments of the auditors, if any		NA				
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:						
Original object	Modified object, if any	Original allocation	Modified allocation,if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks,if any
NA	NA	NA	NA	NA	NA	NA
Deviation could mean:						
a. Deviation in the objects or purposes for which the funds have been raised.						
b. Deviation in the amount of funds actually utilized as against what was originally disclosed.						

We request you to take the above information on record.

For Sonata Finance Private Limited

Anjali Manwani Siddiqui
 Digitally signed by Anjali Manwani Siddiqui
 Date: 2024.01.30 15:59:27 +05'30'

Anjali Manwani Siddiqui
Company Secretary
Membership No. F12612

Ref: SEBI/BSE/2023-24/084

Date: January 30, 2024

Scrip Code: 973590, 973619, 973643, 973670, 974084 & 974203

Company Code: 10494

To,
The Manager
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001

Subject: Disclosure pursuant to Regulation 54 (2), (3) & Regulation 51 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”)

Dear Sir/Madam,

Pursuant to Regulation 54 (2) & (3) of the LODR Regulations, read along with SEBI circular bearing reference number SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022; we hereby confirm that the company has maintained hundred percent or higher security cover as per the terms of offer document/Information Memorandum and/or Debenture Trust Deed, which is sufficient to discharge the principal amount and interest thereon, at all times for the non-convertible debt securities issued by the company.

The details of security cover available as on December 31, 2023, on the non-convertible debentures issued by the company along with the details as per Regulation 51 (2) -Para 26 of Part B of Schedule III of the LODR Regulations, is enclosed as **Appendix-1**

We request you to take the above information on record.

For Sonata Finance Private Limited

Anjali Manwani
Siddiqui

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Manwani Siddiqui
Date: 2024.01.30
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Anjali Manwani Siddiqui
Company Secretary
Membership No. F12612

Date: January 30, 2024

To,
The Board of Directors
Sonata Finance Private Limited
2nd Floor, CP-1, PG Tower,
Kursi Road, Vikas Nagar, Lucknow,
Uttar Pradesh -226022

Independent Auditor's certificate as per Regulation 54 and 56(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (the "Regulations") as at December 31, 2023 in respect of Sonata Finance Private Limited (the "Company")

1. The management has requested us to certify the particulars contained in the accompanying Statement of Information for listed Non-Convertible Debentures ('NCDs') attached herewith (the 'Statement') of Sonata Finance Private Limited (the 'Company') as at December 31, 2023. This Statement has been prepared by the Company to comply with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended till date (referred to as the 'Regulations') and as per circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 for the purpose of its onward submission to "Catalyst Trusteeship Limited" (referred to as the 'Company's Debenture Trustee').

Management's responsibility for the Statement

2. The preparation of the Statement is the responsibility of the Company's management including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management is also responsible for ensuring the compliance with the requirements of the regulations and the Debenture Trust Deed ('DTD') for all listed NCDs issued and for providing all relevant information to the Debenture Trustee, including amongst others, maintaining Asset Coverage Ratio and for preparation and maintenance of covenants list and compliance with such covenants on a continuous basis as per the debenture trust deed

Auditor's responsibility for the Statement

4. It is our responsibility to obtain limited assurance and form an opinion as to whether the Statement is in agreement with the unaudited books of accounts and records furnished to us by the Company. We have relied on the said books of accounts and records furnished by the Company as on December 31, 2023. These books of accounts are unaudited and subject to limited review conducted by us in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by Independent Auditor of the Entity' issued by Institute of Chartered Accountants of India ('ICAI'). The procedures performed in limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
5. Pursuant to the request from management and as required by the Company's Debenture Trustee, it is our responsibility to examine the books and other records of the Company and provide limited assurance on whether the Company has maintained the required asset cover and complied with the covenants (as set out in the Statement) as per the requirements of DTDs for all outstanding listed NCDs and nothing has come to our attention that causes us to believe that the Statement and calculation thereof is not arithmetically accurate.

6. We have performed the following procedures in relation to the Statement:
 - (a) Obtained a list of receivables and other assets pledged as security against the outstanding listed NCDs;
 - (b) Read the information memorandum and debenture trust deed in relation the non-convertible debentures issued by the Company to assess the nature of the debentures i.e., secured or unsecured;
 - (c) Traced the amounts forming part of the Statement with the unaudited financial statements, underlying books of account and other relevant records and documents maintained by the Company as at December 31, 2023 and verified the arithmetical accuracy of the same;
 - (d) For the period ended December 31, 2023, we have verified Company's compliance with the debt covenants mentioned in Information Memorandums; and
 - (e) Recomputed the asset coverage ratio;
7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the Guidance Note)' issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Basis of Qualified Opinion

9. The company has breached financial covenants as on December 31, 2023 as mentioned in Annexure-3 of the statement.

Qualified Opinion

10. Based on the procedures performed as mentioned in paragraph 5 & 6 above, records, documents and unaudited financial information for the quarter and period ended December 31, 2023 of the Company produced to us and information, explanations and representation given to us, nothing has come to our attention that causes us to believe that:
 - a. the company has not maintained the required security cover (as set out in the statement-Annexure-2) as per the requirements of DTDs in relation to all the outstanding listed NCDs as at December 31,2023.
 - b. the company has not complied with the financial covenants except as set out in the statement. (Annexure-3).
 - c. the particulars furnished in the Statement have not been accurately extracted from the unaudited financial statements for the period ended December 31, 2023, records and other documents of the Company as at December 31, 2023;

Restriction on use

11. This certificate has been issued at the request of the Company to comply with the aforesaid Regulations. As a result, this certificate may not be suitable for any other purpose and is intended solely and entirely for the above-mentioned purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

**Statement for Asset Coverage Ratio by Debenture Trustee in respect of Listed Debt Securities as at
December 31,2023**

- a) We (Sonata Finance Private Limited) vide its Board Resolutions and Information Memorandums / Offer Documents and under various Debenture Trust Deeds, have issued the following listed debt securities outstanding as at December 31,2023:

ISIN	Private Placement/ Public Issue	Secured/ Unsecured	Issued Amount (Rs.)
INE509M07345	Private Placement	Secured	38,00,00,000
INE509M07311	Private Placement	Secured	38,00,00,000
INE509M07279	Private Placement	Secured	25,00,00,000
INE509M07287	Private Placement	Secured	80,00,00,000
INE509M07295	Private Placement	Secured	40,00,00,000
INE509M07303	Private Placement	Secured	75,00,00,000
Total			2,96,00,00,000

- b) Asset Cover for listed debt securities:

- i. The total assets of the listed entity provide coverage of **111.43%** through exclusive charge creation on the interest and principal, which is in accordance with the terms of debenture trust deed/information memorandum and through issue of listed debt securities and other borrowing arrangement (calculation as per statement of asset coverage ratio – Annexure-1 attached)

- c.) Compliance of all the covenants/terms of the issue in respect of listed debt securities of the listed entity:

We have examined the compliances made by the listed entity in respect of the covenants/terms of the issue of the listed debt securities (NCD's) and certify that the company has not complied with the financial covenants as set out in the statement (Annexure – 3).

For **B R Maheswari & Co LLP**
Chartered Accountants
Firm Registration Number: 001035N/N500050

Digitally signed by **AKSHAY
MAHESHWARI**
Date: 2024.01.30 15:35:39 +05'30'
Akshay Maheshwari
Partner
Membership Number: 504704

Place: New Delhi
Date: January 30, 2024
UDIN: 24504704BKEIRC4004

Appendix-1

Sonata Finance Private Limited														Amount(in lakhs)
Annexure-I Statement of Security for Listed Debt securities as at 31st December 2023														
Column A	Column B	Column C I Exclusive Charge	Column D II Exclusive Charge	Column E III Pari-Passu Charge	Column F IV Pari- Passu Charge	Column G V Pari-Passu Charge	Column H VI Assets not offered as Security	Column I VII Elimination (amount in negative)	Column J (Total C to H)	Column K Related to only those items covered by this certificate	Column L Related to only those items covered by this certificate	Column M Related to only those items covered by this certificate	Column N Related to only those items covered by this certificate	Column O Related to only those items covered by this certificate
Particulars	Description of asset for which this certificate relate	Debt for which this certificate being issued Book Value	Other Secured Debt Book Value	Debt for which this certificate being issued (YES/NO)	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & Book Value other debtwith pari-passucharge)	Other assets on which there is pari-Passu charge (excluding items covered in column F) Book Value		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets ^{viii}	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+ N)
ASSETS														
Property, Plant and Equipment	Property, Plant and Equipment at book value not offered as security						222.15		222.15					
Capital Work-in-Progress									0.00					
Right of Use Assets	Right to use asset less reserve on right to use on lease						204.93		204.93					
Goodwill									0.00					
Intangible Assets	Intangible assets containing software						8.57		8.57					
Intangible Assets under Development									0.00					



SONATA Finance Private Limited

2nd Floor, CP-1, PG Towers, Kursi Road, Vikas Nagar,

Lucknow – 226026, Uttar Pradesh

CIN: U65921UP1995PTC035286

Contact No : 0522-4005729

Email: info@sonataindia.com

Website: www.sonataindia.com

Appendix-1

Investment s	Investment in shares					5.65		5.65				
Loans	Portfolio Loans Net of ECL Provision	34,266.40	1,76,720.55			54.17		2,11,041.12		34,266.40		34,266.40
Inventories								0.00				
Trade Receivable s	Service fees & processing fees receivables					270.04		270.04				
Cash and Cash Equivalents	Cash on hand, Balances with banks in current accounts, Fund in transit, Bank deposit with original maturity of less than 3 months		0.00			23,113.07		23,113.07				
Bank Balances other than Cash and Cash Equivalents	Fixed deposits with bank with original maturity for more than 3 months		10,451.34			609.00		11,060.34				
Others	Derivative financial instruments, Other financial assets, Current & Deferred tax assets (net) , Other non-financial assets		1,264.61			5,573.32		6,837.93				0.00
Total		34,266.40	1,88,436.50		0.00	0.00	30,060.90	-	2,52,763.80	0.00		
LIABILITIES												
Debt securities to which this certificate pertains	NCD Listed secured & accrued interest thereon,	30,752.77	0.00		0.00			30,752.77		30,752.77		30,752.77
Other debt sharing pari-passu charge with above debt		<i>not to be filled</i>						0.00				



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Appendix-1

Other Debt			0.00					0.00					
<i>Subordinated debt</i>	Capital First Subordinate Loan , Accrued Interest on SD.		0.00			1,997.83		1,997.83					
<i>Borrowings</i>	Borrowings from ECB, NBFC, FI, Securitisation & Accrued Interest thereon		75,332.64					75,332.64					
<i>Bank</i>	Bank borrowings and accrued interest thereon		97,088.26					97,088.26					
<i>Debt Securities</i>			3,954.04					3,954.04					
<i>Others</i>								0.00					
<i>Trade payables</i>	Payable to vendor, expenses payable, professional fees payable, provision for expenses		0.00			403.39		403.39					
<i>Lease Liabilities</i>	Lease Liabilities		0.00			224.89		224.89					
<i>Provisions</i>	Provision for employee benefits, Provision for direct sale agreement - portfolio		0.00			1,577.35		1,577.35					
<i>Others</i>	Other financial liabilities , Derivative financial instruments, Other non-financia liabilities		68.02			2,288.46		2,356.48					
Total		30,752.77	1,76,442.96	0.00	0.00	0.00	6,491.92	0.00	2,13,687.65				
Cover on Book Value													
Cover on Market Value^{ix}													



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Appendix-1

Exclusiv e Security Cover Ratio	111.43%			Pari-Passu Security Cover Ratio									
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ⁱ This column shall include book value of assets having exclusive charge and outstanding book value of debt for which this certificate is issued.
ⁱⁱ This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C.
ⁱⁱⁱ This column shall include debt for which this certificate is issued having any pari passu charge - Mention Yes, else No.
^{iv} This column shall include a) book value of assets having pari-passu charge b) outstanding book value of debt for which this certificate is issued and c). other debt sharing pari- passu charge along with debt for which certificate is issued.
^v This column shall include book value of all other assets having pari passu charge and outstanding book value of corresponding debt.
^{vi} This column shall include all those assets which are not charged and shall include all unsecured borrowings including subordinated debt and shall include only those assets which are paid-for.
^{vii} In order to match the liability amount with financials, it is necessary to eliminate the debt which has been counted more than once (included under exclusive charge column as also under pari passu). On the assets side, there shall not be elimination as there is no overlap.
^{viii} Assets which are considered at Market Value like Land, Building, Residential/ Commercial Real Estate to be stated at Market Value. Other assets having charge to be stated at book value/Carrying Value.
^{ix} The market value shall be calculated as per the total value of assets mentioned in Column O.

For Sonata Finance Private Limited

Anup Kumar Singh
Digitally signed by Anup Kumar Singh
Date: 2024.01.30 14:09:03 +05'30'

Anup Kumar Singh
Managing Director
DIN:0173413

For BR Maheswari & Co. LLP
Chartered Accountants

Digitally signed by AKSHAY MAHESHWARI
Date: 2024.01.30 15:36:24 +05'30'

Akashay Maheshwari
Partner



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Contact No : 0522-4005729

Email: info@sonataindia.com

Website: www.sonataindia.com

Sonata Finance Private Limited

Date: 30-01-2024

Annexure 2: Asset Coverage as per listed debt securities as on 31-12-2023

S. No.	ISIN	Particulars	Trustee	Date of Trust Deed	Types	Nature	Accrued Interest as on 31-12-2023	Principal as on 31-12-2023	Closing Balance as on 31-12-2023	Required Cover (%) (2)	Principal	Interest	Assets Receivable required Col(1*2)	Assets /Receivable hypotheticated
1	INE509M07345	12.2902% SFPL 2027- JAWEF SICAV Listed NCD A/c	Catalyst Trusteeship Limited	09-09-2022	Secured	NCD	1,31,63,703	38,00,00,000	39,31,63,703	110%	41,80,00,000	1,44,80,073	43,24,80,073	43,34,75,795
2	INE509M07311	12.99% Blue Orchard Covid-19 Support Fund- NCD	Catalyst Trusteeship Limited	15-07-2022	Secured	NCD	1,98,82,282	38,00,00,000	39,98,82,282	110%	41,80,00,000	2,18,70,510	43,98,70,510	44,76,73,375
3	INE509M07279	Series-B 13.25% Sonata 2024	Catalyst Trusteeship Limited	22-11-2021	Secured	NCD	7,14,06,889	25,00,00,000	32,14,06,889	150%	37,50,00,000	7,14,06,889	44,64,06,889	45,40,19,213
4	INE509M07287	11.7702% SFPL 2024 NCD Subscribed by BOMF	Catalyst Trusteeship Limited	18-11-2021	Secured	NCD	39,89,639	40,00,00,000	40,39,89,639	110%	44,00,00,000	43,88,603	44,43,88,603	88,99,44,289
		Secured			NCD	39,89,639	40,00,00,000	40,39,89,639	110%	44,00,00,000	43,88,603	44,43,88,603	-	
5	INE509M07295	11.7702% SFPL 2024 NCD Subscribed by BOMF	Catalyst Trusteeship Limited	02-12-2021	Secured	NCD	27,02,247	40,00,00,000	40,27,02,247	110%	44,00,00,000	29,72,472	44,29,72,472	44,63,41,555
6	INE509M07303	12.3% SFPL Dec2024 NCD Subscribed by Northern Arc	Catalyst Trusteeship Limited	22-12-2021	Secured	NCD	10,20,799	37,50,00,000	37,60,20,799	100%	37,50,00,000	10,20,799	37,60,20,799	75,51,85,741



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12.3% SFPL Dec2024 NCD Subscribed by DWM			Secured	NCD	8,86,507	37,50,00,000	37,58,86,507	100%	37,50,00,000	8,86,507	37,58,86,507	-
TOTAL					11,70,41,705	2,96,00,00,000	3,07,70,41,705		3,28,10,00,000	12,14,14,456	3,40,24,14,456	3,42,66,39,967

For Sonata Finance Private Limited

Anup
Kumar
Singh

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Anup Kumar Singh
Date: 2024.01.30
14:09:34 +05'30'

Anup Kumar Singh
Managing Director
DIN:0173413

For BR Maheswari & Co LLP

Chartered Accountants

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MAHESHWARI
Date: 2024.01.30 15:36:50 +05'30'

Akshay Maheshwari
Partner

Annexure 3: Compliance with financial covenants for listed debt securities as at 31st December 2023

S. No.	ISIN	Particulars	Date of Trust Deed	Covenant Description	Compliance status
1	INE509M07345	12.2902% SFPL 2027- JAWEF SICAV Listed NCD A/c	09-09-2022	Covenants as per term sheet	Complied except the following- (i) At all times maintain a ratio of the (x) Loan loss reserves divided by (Y) Portfolio at risk over 90days plus restructured loan of no less than 100%.
2	INE509M07311	12.99% Blue Orchard Covid- 19 Support Fund-NCD	15-07-2022	Covenants as per clause 2.6 Debenture Trust deed	Complied except the following- (i) At all times maintain a ratio of the (x) Loan loss reserves divided by (Y) Portfolio at risk over 90days plus restructured loan of no less than 100%.
3	INE509M07279	Series-B 13.25% Sonata 2024	22-11-2021	Covenants as per Debenture Trust deed	Complied except the following (b) Capital Adequacy (Tier 1 Capital + Tier 2 Capital)/ Risk Weighted Assets>17% as per the regulatory requirement prescribed by Reserve Bank of India, whichever is higher. (d) maintain a ratio of A:B less than 20% where A is PAR 90 on the Gross Loan Portfolio and B is Tangible Net worth to be tested on and from December 31,2021 onwards.
4	INE509M07287	11.7702% SFPL 2024 NCD Subscribed by BOMF	18-11-2021	Covenants as per Article II of clause 2.6 of the Debenture Trust deed	Complied except the following- Clause 2.6 (i) At all times maintain a ratio of the (x) Loan loss reserves divided by (Y) Portfolio at risk over 90 days plus non covid restructured loan of no less than 100%.
		11.7702% SFPL 2024 NCD Subscribed by JAWEF			
5	INE509M07295	11.7702% SFPL 2024 NCD Subscribed by BOMF	02-12-2021	Covenants as per Article II of clause 2.6 of the Debenture Trust deed	Complied except the following- Clause 2.6 (i) At all times maintain a ratio of the (x) Loan loss reserves divided by (Y) Portfolio at risk over 90 days plus non covid restructured loan of no less than 100%.
6	INE509M07303	12.3% SFPL Dec2024 NCD Subscribed by Northern Arc	22-12-2021	Covenants as per clause 2.5.4 of the Debenture Trust deed	Complied except the following- Clause 2.5.4 (a) Maintain a Regulatory Capital Adequacy Ratio in excess of 17%. (b) Maintain a General portfolio at Risk Ratio of less than 4% (d) At all times maintain a ratio of the (x) Loan loss reserves divided by (Y) Portfolio at risk over 90 days plus non covid restructured loan of no less than 100%.
		12.3% SFPL Dec2024 NCD Subscribed by DWM			

For Sonata Finance Private Limited

**Anup Kumar
Singh**

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Anup Kumar Singh
Date: 2024.01.30
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Anup Kumar Singh
Managing Director
DIN:0173413

For BR Maheswari & Co LLP

Chartered Accountants

**Digitally signed by AKSHAY
MAHESHWARI**

Date: 2024.01.30 15:38:16 +05'30'

Akshay Maheshwari
Partner