



BlackS il Capital Private Limited

An Alternative Credit Platform

Board of Directors

Mohinder Pal Bansal, *Whole-Time Director*
Ankur Bansal, *Executive Director*
Jatin Chokshi, *Director*

Statutory Auditors

BSR & Co LLP

Bankers

Federal Bank
HDFC Bank

Legal Advisors

IndusLaw
Rajani Associates
IC Universal Legal
Cyril Amarchand Mangaldas

Trustees

Vistra ITCL (India) Limited
Axis Trustee Services Limited

Credit Rating Agencies

ICRA Limited

Valuers

Colliers International (India) Property Services Private Limited

Tax Advisors

PricewaterhouseCoopers Private Limited
GBCA & Associates LLP

Registrars

Link Intime India Private Limited



I. Sponsors

Shashi Kiran Shetty *(Chairman, Allcargo Logistics Limited)*

- Chairman of BlackSoil
- Founder of Avvashya Group
- Preferred Sectors: Logistics and Real Estate

Gnanesh D Gala *(MD, Navneet Education Limited)*

- Chairman of BlackSoil Investment Committee - StartUp Companies
- CIO of Navneet's Family Office
- Preferred Sectors: Education, Financial Services, Technology and Real Estate

Virendra Gala *(Founder, Mahavir Agency)*

- Chairman of BlackSoil Investment Committee - Real Estate
- Founder of Mahavir Agency
- Preferred Sectors: Real Estate and Financial Services

Mathew Cyriac *(Founder, Florintree Advisors)*

- Chairman of BlackSoil Investment Strategy Committee
- Formerly Sr. Managing Director & Co-Head at The Blackstone Group, Private Equity
- Preferred Sectors: Private Equity Fund Management

Mohinder Pal Bansal *(Founder, BlackSoil)*

- Director of BlackSoil Capital
- Founder of BlackSoil Advisory
- Preferred Sectors: Business Advisory, Financial Services, Logistics, Education and Real Estate

II. Advisory Board

Nilesh Vikamsey *(Partner, Khimji Kunverji & Co LLP)*

- Expertise: Corporate Tax and Audit
- Formerly past president of Institute of Chartered Accountants of India
- Partner of Khimji Kunverji & Co, which is established in Mumbai for more than 80 years

Kaiwan Kalyaniwalla *(Solicitor-Advocate, Bombay HC)*

- Expertise: Legal matters of Corporate, Property and Tax
- Solicitor & Advocate of the Bombay HC. Has been in practice for over 30 years
- Partner at Maneksha & Sethna (Mumbai)

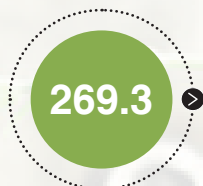


Assets Under Management (AUM) - as on March 31, 2021

(₹ in crore)



BCPL Consol



AIFs



Off Book



Total

Key Milestones

Aug-20

Rating reaffirmed by ICRA

ICRA reaffirms BBB rating highlighting quality underwriting & liability management

Nov-20

Launch of BlackSoil India Credit Fund

BlackSoil leverages its robust track record to launch its maiden secured credit fund with an initial close of ₹125 Crore amidst a pandemic

Dec-20

NCD Program crosses ₹250 Crore

Milestone achieved as total funds raised via the NCD program crosses the ₹250 Crore mark

Feb-21

Disbursements cross ₹2,000 Crore

BlackSoil crosses the disbursal milestone of ₹2,000 Crore across multiple platforms





Director's Letter

Dear Stakeholders,

We believe all businesses that create value are sustainable in the long run. Our philosophy of value creation for all our stakeholders is helping us to build a robust and sustainable business model.

Financial Highlights

The highlights of the Consolidated Financial Statements of the Company are as under:

(In ₹ Lakhs)

Particulars	As on March 31, 2021	As on March 31, 2020
Total Income	7,256.2	8,130.3
Total Expenditure	4,759.9	4,858.5
Profit before Tax and Provisions	2,496.3	3,271.8
Less: Provisions	(5.2)	604.6
Profit before Tax	2,501.5	2,667.2
Less: Taxation	726.2	792.9
Net Profit after Tax	1,775.3	1,874.2

A. Indian Economy:

India was under stringent lockdown beginning Mar-20 to Jun-20. The announcement led to widespread concerns as all activities, barring few essential services were not operational leading demand / supply disruptions, effects of which were felt through income loss and unemployment levels scaling. As a result of the strict lockdown, Q1FY21 saw a contraction in GDP of 24.4%. Q2FY21 saw recovery in high frequency indicators such as GST collections, e-tolls, auto sales, railway freight, electricity consumption, amongst several others as lockdown restrictions gradually eased. The economy recuperated with GDP growth contracting by 7.3% in Q2FY21 followed by a positive growth rate of 0.4% in Q3FY21. The gradual unlocking of the economy and resumption in business activities led to 1.6% expansion in GDP in Q4FY21 but overall, it contracted 7.3% YoY in FY21.

B. Impact of the COVID-19 Crisis:

COVID-19 pandemic penetrated the deepest core of our civilisation. After the first wave we thought that we had gained control of the situation but the second wave found us wanting for basic necessities such as oxygen and medical supplies. The government's approach in dealing with the two waves had been different. The response to the second wave was more localised and driven by the states while in the first wave we went for a national lockdown.

In the first wave, we went through a prolonged nation wide lockdown, manufacturing and the urban economy had come to a grinding halt while the rural economy continued to move because of less strict lockdowns. However, agriculture which is the primary driver of our rural economy providing employment to more than half of our population, continued to grow. Agriculture further benefited from good monsoon and cheaper and higher availability of labor. Our agricultural economy grew by 3.4% while the overall economy contracted with 7.7%. In order to control the coronavirus spread, most of the manufacturing sector had to work at a lesser capacity or shut down. Non-essentials manufacturing was hit for longer and with more severe restrictions. The fear of prolonged lockdowns in the second wave also led to migration back to villages.

Now with the massive vaccination drive we do hope of economic revival and also less fear of a third wave. Most of the rating agencies are projecting between 9.3% to 9.8% growth for FY 2021-22.



C. Financial Performance and Fund Raising:

Right from the time when the economy started facing stress in real estate, we became more focused on balance sheet level liquidity and did only high-quality disbursements. We focused on improving our systems and processes, creating a robust underwriting model and moving transactions to a technology-based monitoring platform on cloud. This mantra helped us to sail through severe liquidity stress faced by the financial services sector. There was one new disbursement from a bank during the financial year. Also, we were successful in raising three series of NCDs worth ₹79 Crore in FY21.

During the year we made a gross disbursement of ₹390 Crore against ₹314 Crore of last year. Our collections were also higher at ₹388 Crore against ₹339 Crore of last year. Our net book increased marginally to ₹442 Crore from ₹439 Crore. There was fall in our consolidated revenue to ₹73 Crore against last year of ₹81 Crore due to lower disbursements. PAT during the year stood at ₹18 Crore compared to ₹19 Crore in FY20. Marginal reduction in profitability would largely be on account of the global economic slowdown during the 1st half of FY21.

The consolidated net worth of the company has gone up to ₹246 Crore from ₹226 Crore of last year. The company also converted CCD Series 2 and allotted shares to the management worth ₹1 Crore in FY21.

D. A Heartfelt Appreciation

We take this opportunity to thank all our investors, employees, advisors, and other business associates for their continued support. In such unprecedented times, we are committed to deliver best results towards all our new and ongoing investments.

Wishing you well and hope you get vaccinated soon!

Thanks for joining us on this journey.

Yours sincerely,

Mohinder Pal Bansal

Place: Mumbai

Date: 30 September, 2021





A. Blacksoil Corporate Structure

1. BlackSoil Capital Private Limited

BlackSoil Capital Private Limited (BCPL) is a non-deposit accepting non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI). It was acquired in 2016 and is a platform set-up to provide alternative credit solutions to high growth VC-backed companies, established promoters and small & medium businesses. BCPL offers loans that range from ₹5k to ₹50 Crore, with a tenure of 1 to 3 years, secured with cash flows and/or additional collateral. The key investors in the company include the family offices of respected corporates as mentioned below:

1. Avvashya Group: Chairman, Shashi Kiran Shetty. AllCargo Logistics Limited is the flagship entity of the Group, rated [CARE AA (Negative), CRISIL AA-];
2. Navneet Group: Managing Director, Sunil Gala. Navneet Education Limited is the flagship entity of the Group, rated [CARE AA+, CRISIL A1+];
3. Mahavir Agency helmed by Virendra Gala (a real estate advisory firm);
4. Florintree Advisors helmed by Mathew Cyriac (an India-focused alternative asset manager, based in Mumbai) and;
5. BlackSoil Founders: Mohinder Pal Bansal and Ankur Bansal (Blacksoil Advisory).

Key Strengths

1. Alternative Credit Platform – BlackSoil has set up a cash-flow based proprietary underwriting model which allows to effectively underwrite asset-light growing companies. The platform also enables to provide bespoke channel financing solutions.
2. Strong Track Record – BCPL has made disbursements worth ~₹1,650+ Crore across 110+ transactions with 60+ exits at an average IRR of 18% in 5 years of its operations.
3. Stellar Portfolio – The investee entities have cumulatively raised \$4+ Bn in equity, which comprise of 65+ unique start-ups and four unicorns with a very small write-off till date.
4. Deal Sourcing – BlackSoil has a proprietary origination solution that has enabled to source 350+ deals since inception.
5. Ticket size agnostic – BlackSoil offers solutions to companies of all sizes with flexible ticket sizes ranging from as small as ₹5k to as large as ₹50 Crore.
6. Seasoned Management Team – BlackSoil has an experienced management team which has 100+ years of cumulative relevant industry experience.

BlackSoil has enjoyed another strong year of performance aided by a diversified product mix, robust volume growth, prudent operating costs, and effective risk management despite the pandemic and lockdowns. With an AUM of ~414 Crore, BCPL has emerged as a niche as well as a diversified NBFC. BlackSoil has prudently balanced its Assets Liabilities Management (ALM) with a strategy of raising long-term debt and maintaining a judicious mix of borrowings of multiple series of NCDs, borrowings from banks, ICDs and deposits from shareholders. BCPL continues to closely monitor liquidity in the market; and as a part of its ALCO (Asset Liability Committee) strategy has always maintained a sufficient liquidity buffer.

BlackSoil strives to design its products and services in line with its customers' changing financial needs and aspirations. BlackSoil converges the capabilities of its team and technology architecture to operate at highest levels of efficiencies. To this effect, BCPL has a management team composed of experienced and skilled industry stalwarts, under the guidance of Mohinder Pal Bansal and Ankur Bansal. Currently, the BlackSoil Team consists of more than 45 individuals and is equipped with specific industry experience. The team is actively involved in various tasks to make sure that the highest standards of corporate governance are maintained and risk framework is followed.

2. BlackSoil Asset Management Private Limited (BAMPL)

BlackSoil Asset Management Private Limited (BlackSoil AMC) is a subsidiary of BCPL, which manages SEBI-registered Category II AIFs and provides sourcing & monitoring services to its portfolio companies. The pandemic took all of us by a storm and changed the way we live, however BlackSoil AMC continues to actively manage & monitor its portfolio closely and help navigate its Portfolio Entities through these turbulent times. BlackSoil AMC manages following AIFs and portfolio services:

a) Walton Street BlackSoil Real Estate Debt Fund I, *Realty Debt Fund*

Walton Street Blacksoil Real Estate Debt Fund-I (Realty Debt Fund) made its initial closure in February 2018 and final close in February 2020 with gross commitments of ₹318.5 Crore. The strategy of the Realty Debt Fund has been to focus on mid-income housing in key end-users driven markets, where sales are stable and predictable. The Realty Debt Fund has deployed ₹314 Crore (98.5% of the total commitment of the Fund) across 10 investments in residential projects at Bangalore, Hyderabad and Mumbai. The Realty Debt Fund has fully exited 1



investment and partially exited 2 investments as there were some prepayments from project cash flows as well as scheduled repayments. The Capital Outstanding as of 31st March 2021 is ₹229 Crore, ~73% of the Fund size.

The performance of the Fund as per September 2020 Benchmark Report by CRISIL has been ranked in the top quartile of Category II AIFs with net IRR of 16.5% v/s benchmark of 8.7% for Category II AIFs.

b) BlackSoil India Credit Fund, Non-Real Estate Credit Fund

The alternative credit platform of BlackSoil provides much needed debt to Start Up companies to grow their businesses. BlackSoil launched its new SEBI-registered AIF Cat-II Fund, Blacksoil India Credit Fund (Credit Fund) to provide secured credit to such growing companies. The Credit Fund made its first initial closure in November 2020 with a gross commitment of ₹126 Crore as of March 2021.

The strategy of the Credit Fund is to make debt investments in high growth innovative companies backed by top-tier institutional GPs and established Indian promoters in the form of venture debt and structured debt. The pandemic has caused a lot of disruption to the way businesses are functioning and made a dramatic shift from offline to online – for work, shopping, healthcare, education, and many other services. Many Indian start-up companies were resilient and have swiftly rebounded their businesses back to pre-pandemic levels. Moreover, businesses of certain start-ups grew faster due to a sudden monumental shift to online operations. BlackSoil also boasts of such resilient companies in its portfolio which showed tremendous growth.

The Credit Fund has deployed its capital in 3 portfolio companies, one which is a dermatology company & currently manages a chain of 22 derma clinics, another providing smaller ticket housing loans to women to build or repair their homes in Tier 3 / 4 cities and lastly, a drone manufacturing company whose drones can be used for multiple applications namely mapping, surveying, inspection, surveillance & control.

c) Off Book Management

BlackSoil AMC through its anchor investor lead co-investments model has been providing alternative credit sourcing and monitoring services to its portfolio entities. In FY21, BlackSoil AMC has done 4 transactions valued at ₹65 Crore and has also successfully managed the debt of such companies.

3) Saraloan Technologies Private Limited (Fintech Platform)

BCPL engaged with the management team of erstwhile LoanSimple to develop a Fintech Platform, Saraloan Technologies Private Limited (Saral) to provide instantaneous supply chain financing solutions to Micro, Small and Medium Enterprises (MSMEs) BlackSoil had been trying to provide retail loans to small businesses and Saral will enable BlackSoil to achieve a higher penetration into the retail market in a branch-less model with the help of technology. Saral has developed and launched its first version of a Merchant App with both LOS & LMS in the back end.

Business Model and Synergies

Saral has rolled out two products through the Anchor-Lead model. First product – Buy Now, Pay Later (BNPL) has received a very strong positive response and Saral managed onboarding 5 channel partners and anchors in different fields and geographies in a period of 3 months since its launch in January 2021. The platform also has the capability to integrate with the system and data of channel partners through APIs.

The platform is working seamlessly starting from customer onboarding, KYC check, underwriting, documentation, setting up limits, disbursements and collections. The system also provides full information instantaneously to customers, channel partners and the business team to track status of each transaction as well as provides a holistic view. Saral has also developed and launched its second product – Vendor Financing.

BlackSoil provides a very distinct strategic advantage to Saral as it has a sizeable base of start-up companies where Saral can become supply chain payment solution provider in the start-up eco system for their customers and vendors.

B. BlackSoil Key Highlights

BlackSoil continues to maintain a strong business model and superior asset quality supported by effective finance skills, self-originated credit book, embedded risk culture, and robust risk management practices. All these factors coupled with the management's conservative approach contributed to the company's controlled NPA book. This has been crucial for the organization's smooth functioning throughout the year.

Last year was full of achievements for BlackSoil despite significant challenges in the NBFC sector due to the coronavirus pandemic and consequent decline in the Indian economy. BlackSoil displayed sustainable growth and executed 26 transactions in this financial year with a





gross deployment of ₹364 Crore. BlackSoil continues to maintain its status as a systemically important NBFC. By financial year end of 2021, BCPL AUM stood at ~₹414 Crore, resulting in a decline of 3% YOY. However, the reduction in AUM was due to a significant number of successful exits from the portfolio either with prepayment or completion of loan tenure. BlackSoil's abilities are highlighted by the fact that the overall exits during the year stood at ₹378 Crore, 12% higher compared to last year. The average XIRR from exited portfolios stood at 19.4% from 19 successful exits during 2020-21.

The total debt of BCPL as of March 31, 2021 amounts to ₹207 Crore. The amount consists of ₹0.5 Crore from banks, ₹200 Crore from NCDs, and ₹6 Crore from Other Instruments. In the last financial year, the debt was valued at ₹203 Crore as of March 31, 2020. On the back of a strong and self-sustainable business model, during the year, BCPL has successfully raised ~₹27 Crore from its investors and its net worth increased to ₹246 Crore compared to ₹226 Crore in FY20. Major contribution to the increase in share capital in FY21 was from profits during the year.

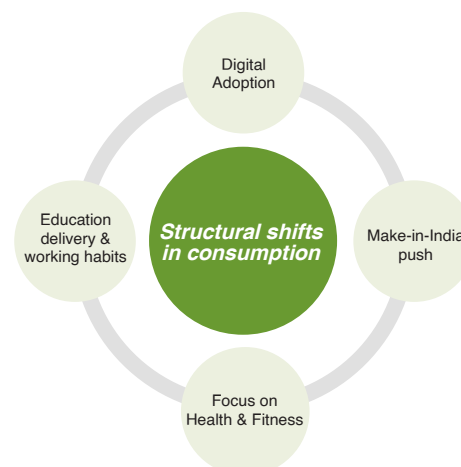
Operating income during the year stood at ₹73 Crore compared to ₹81 Crore in FY20. PAT during the year stood at 18 Crore compared to ₹19 Crore in FY20. Marginal reduction in profitability would largely be on account of the global economic slowdown during the second half of FY21. BCPL could set the standards in the industry when it comes to ROA ~4% and ROE (weighted average) ~11%.

A few of the companies backed by BlackSoil in the current year are Valuedrive Technologies (Spinny), Kieraya Furnishings (Furlenco), Hiveloop Capital (Udaan), Moneyboxx Finance (BSE-listed), Diptab Ventures (LetsTransport) and Mahaveer Finance.

C Post COVID-19 emergence of new consumption pattern – BlackSoil focus areas

COVID-19 has enabled Structural shifts in consumption

- India has the Second Highest internet users globally
- Digital penetration @ 50%
- Pandemic intensified the supply chain uncertainties
- FY22 budget has an outlay of \$27 bn for Production Linked Incentives
- Consumers are shopping more consciously, buying local and are embracing digital commerce
- Telehealth utilization has stabilized at levels 38x higher than pre-pandemic
- Covid to EdTech what Demonetization was to Fintech - Paid user base doubled to 90 Mn in the year
- Impetus provided to incumbent industries, now on a growth trajectory – SaaS & E-Commerce



Key growth enabler for new age businesses in India

Leading to the emergence of sunrise industries, expected to fuel future growth & job creation:

Sector	Current Market Size	Expected Market Size [by 2030]	Growth
AgriTech	\$0.4 Bn	\$30.0 Bn	↑ 75x
EdTech	\$1.0 Bn	\$30.0 Bn	↑ 30x
HealthTech	\$2.0 Bn	\$50.0 Bn	↑ 25x
SaaS	\$5.0 Bn	\$42.0 Bn	↑ 8x
Gaming	\$0.8 Bn	\$2.5 Bn	↑ 4x
FinTech	\$31.0 Bn	\$84.0 Bn	↑ 3x
E-Retail	\$45.0 Bn	\$110.0 Bn	↑ 3x



D. BlackSoil Business Model

The business model of BlackSoil has aimed to create a portfolio that grows sustainably and has a diversified risk profile. Over the years, BlackSoil has evolved to identify areas of growth and subsequently added new business verticals. This philosophy has ensured BlackSoil continues its upward trajectory.

1. Alternative Debt to Start-Up Companies

BCPL is continuously expanding its business of providing short to medium term loans to start-up Companies. These Companies operate in high growth businesses, set up by professional entrepreneurs, with strong metrics and have also raised institutional funds. In FY21, BCPL has successfully funded 13 start-up businesses amounting to ₹125 Crore and has effectively exited 8 complete deals and a few partial ones amounting to ₹120 Crore. This business comprises of two major categories:

a. For Working Capital & Assets Financing

BlackSoil empowers PE/VC-backed StartUp Companies that have showcased stable growth over the last 12 months of operations, with limited credit history and restricted access to traditional sources of finance, to expand by funding their resources through debt. Hence, they are able to leverage equity for growth. The debt can be utilized for numerous reasons, which might include Working Capital, Capex or other short-term requirements for temporary cashflow mismatches / bridge funding. Deal size ranges between ₹3 Crore and ₹50 Crore with a tenor of 12 to 36 months secured by first charge on specific assets/pari passu with existing lenders, escrow on cashflows, and other financial covenants. Such StartUp Companies are unit-level profitable and usually have a defined path and strategy to turn EBIDTA positive.

Since its beginning (April 2016 – March 2021), BCPL has completed 40 Working Capital & Asset Financing transactions with Gross Disbursements standing at ₹434 Crore.

b. Venture Debt

In Venture Debt Financing, short to medium term loans are lent to High Growth Companies on the back of marquee Venture Capital (VC) Funds, that have showcased stable growth over the last 12 months of operations. This presents an attractive opportunity to such institutional-backed companies. Investment of

capital on time is essential for consistent growth and momentum.

The Indian Government reacted quickly and imposed the lockdown right in the beginning which helped to contain the spread of this disease in India. The lockdown had a cascading effect in Q1FY21 impacting all sectors due to hurdles in supply chain activities.

Since beginning of 2021, traction in sectors which received headwinds due to Covid have been able to raise record amount of VC funds and hence even VD market has grown exponentially. Venture debt funding stood at ~\$290 Mn across 36 start-ups between Jan to Aug-21 as compared to ~\$75 Mn across 29 start-ups in the whole of 2020.

This emerging opportunity is currently being serviced by a limited number of niche NBFCs & Funds who understand such businesses and wish to diversify their portfolio.

Following are the primary requirements for these companies:

- a) Bridge Funding
- b) Runway Expansion
- c) Revenue Acceleration
- d) General Corporate Purposes

The sizes of the deals vary from ₹2 Crore to ₹25 Crore, with a tenor of 12 to 36 months. These transactions are protected by way of First Charge on all assets, IP, Brand, Escrow on cashflows, DSRA, Promoter Undertaking, Warrants, PDCs and DPN.

Since its beginning (April 2016 – March 2021), BCPL has completed 14 Venture Debt Financing transactions with Gross Disbursements standing at ₹94 Crore.

2. Alternative Structured Debt to Established SMEs

This segment relates to secured lending to established companies and/or their promoters who have access to the traditional sources of debt but have restricted access to structured finance. These transactions have: adaptable & innovative structures, repayment options depend on the requirements of the borrower, quick assessment, turnaround time, and flexibility in end use of the funds.

The deal size in these kinds of transactions is between ₹2 Crore & ₹25 Crore, with a tenor of 6 to 36 months. The primary fund requirements of the borrowers are:





- a) Capital Structure and Growth Financing
- b) Asset Financing
- c) Acquisition / Bridge Financing
- d) General Corporate Purpose
- e) Stake enhancement by Promoter

BCPL secures these transactions through various structures by way of share pledge, hypothecation of movables, mortgage of immovable property and Corporate/Personal Guarantees, etc.

Since inception, the NBFC has completed 34 Promoter Financing transactions amounting to ₹421 Crore. The outstanding amount as of 31st March 2021 stood at ₹95 Crore.

3. Alternative Real Estate Debt

In the last decade, the intensity in real estate funding was very aggressive and many NBFCs were active in this space. After the meltdown of IL&FS and Dewan Housing, the real estate lenders faced a huge liquidity crisis. Even banks started withdrawing their exposure in real estate. BlackSoil's strategy to fund established developers to meet their funding requirements for advance stage projects worked effectively. Further after the Government of India passed the Real Estate (Regulation and Development) Act, 2016, which came into effect from May 2017, it was seen that the small players were finding it challenging to meet the strict regulatory requirements. The unorganised source of financing also started disappearing from the market. The COVID-19 pandemic further aggravated the shortcomings of this sector.

BCPL had changed its strategy since 2019 and has gradually started reducing its exposure in the real estate sector but it continues to provide debt to established developers through its Real Estate AIF Debt Funds. This alternative credit is offered to such developers who require the same to tide over their short-term needs of funding, where certain cash flows in the subsequent months can take care of the principal repayment. BlackSoil's real estate AIFs primarily provide debt to real estate developers based in Mumbai, Bangalore and Hyderabad. This strategy is working out very well. The former management team of Walton Street India has integrated with BlackSoil and monitors the AIF Real Estate debt business.

Since its beginning (April 2016 – March 2021), BCPL has made Gross Disbursements of ₹480 Crore across 23 transactions in Real Estate SME lending. The outstanding amount as of 31st March 2021 is ₹132 Crore, which includes its investments in the Real Estate AIFs as an anchor investor as well.

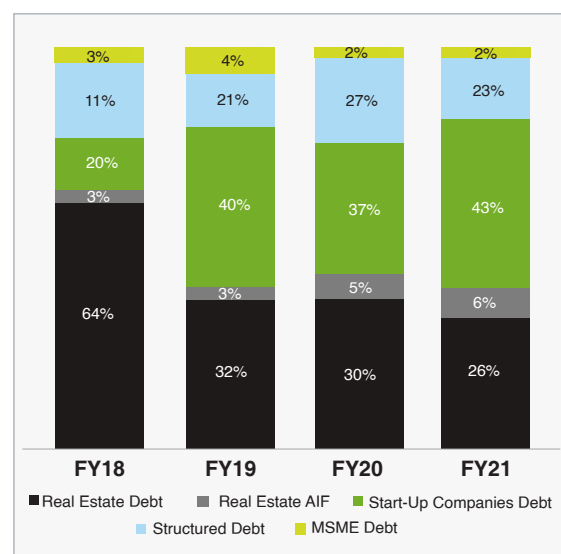
4. Micro, Small and Medium Enterprises (MSMEs) Debt

BCPL also extends its financing solutions to the ecosystem of start-up channel partners who are looking for small ticket retail loans for their customers and vendors. Small and Micro Businesses form the foundation of the Indian economy. The country has 75+ Mn MSMEs Debt who need credit of ~\$380 Bn however, a considerable share of these MSMEs Debt do not have access to traditional forms of capital. Catering to these underserved players is an important function of the Indian finance market and is necessary to keep this sector expanding and ensure its smooth functioning by providing timely investments.

BlackSoil with the help of Saral, its fintech platform, has been developing products in the supply chain payment solution through its relationships with start-up channel partners. Initially the focus is to provide Invoice and Vendor Financing in this ecosystem by leveraging technology. An overview of the development of Saral in its 3 months of operations in FY21 is as under:



Alternative Credit Platform - Portfolio Allocation



(In ₹ Lakhs)

***CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021**

Particulars		31 March 2021	31 March 2020
I	Equity and liabilities		
1	Shareholders' funds		
	(a) Share capital	4,970	4,870
	(b) Reserves and surplus	19,663	17,742
	(c) Money received against share warrants	0	0
2	Non-current liabilities		
	(a) Deferred tax liabilities (Net)	51	-
	(b) Long term borrowings	19,762	14,719
	(c) Long term provisions	737	509
3	Current liabilities		
	(a) Short term borrowings	655	5,178
	(b) Trade payables		
	- Total outstanding dues of micro enterprises and small enterprises	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	138	67
	(c) Other current liabilities	5,961	4,734
	(d) Short term provisions	298	565
	Total Equity and Liabilities	52,234	48,383
II	Assets		
1	Non-current assets		
	(a) Property, plant and equipment		
	- Tangible assets	55	56
	- Intangible assets	113	22
	(b) Non-current investments	12,310	8,526
	(c) Deferred tax assets (Net)	2	49
	(d) Long term loans and advances	13,819	11,791
	(e) Other non current assets	250	231
2	Current assets		
	(a) Current investments	11,732	7,323
	(b) Trade receivables	2	9
	(b) Cash and bank balances	1,372	3,473
	(c) Short term loans and advances	12,245	16,426
	(d) Other current assets	336	476
	Total Assets	52,234	48,383

*Extracted from the Audited Financial Statements





(In ₹ Lakhs)

*CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
I Incomes		
Revenue from operations	6,269	7,340
Other income	987	790
Total revenue	7,256	8,130
II Expenses		
Employee benefits expenses	954	806
Finance expenses	2,550	2,838
Depreciation and amortisation	25	17
Other operating expenses	1,231	1,197
Provision for Loan losses	(5)	605
Total expenses	4,755	5,463
III Profit before tax (I - II)	2,501	2,667
IV Tax expense		
- Current tax	628	801
- Deferred tax (credit) /expense	98	(8)
V Consolidated Profit for the year (III - IV)	1,775	1,874
VII Earnings per equity share		
- Basic	3.49	4.08
- Diluted	2.97	3.87

*Extracted from the Audited Financial Statements



















Notes





BlackSoil in News – Portfolio Companies & Thought Leadership

 <p>Udaan Bags ₹ 50 Cr In Debt Round From BlackSoil</p> <p>B2B ecommerce marketplace Udaan is raising ₹50 Cr (approx \$6.7 Mn) in debt through multiple tranches from venture debt firm BlackSoil.</p> <p>Earlier this year, Udaan raised \$280 Mn in funding from Octahedron Capital and Moonstone Capital, Lightspeed Venture Partners, DST Global, GGV Capital, AlltmetCapital, and Tencent at a valuation of \$3.1 Bn.</p>	 <p>Kaar Technologies raises ₹ 30 Cr from BlackSoil</p> <p>Kaar Technologies, a pre-play SAP consulting and services partner based out of Chennai, has raised ₹30 crore (around \$4 million) in acquisition financing facility from Mumbai-based alternative capital firm BlackSoil Capital.</p> <p>Kaar said the funds have been mobilized to help in its inorganic international expansion plans, especially in the US market. The company intends to acquire a company in the SAP digital transformation space in North America within the next 3-5 months.</p>	 <p>BlackSoil closes 20 structured debt deals worth ₹260 Cr</p> <p>Investment-focused non-banking finance company BlackSoil Capital has completed ₹260 Cr of debt financing.</p> <p>This involves 20 deals across diverse segments like realty, start-ups and unlisted growth firms, and exited four investments during the first year of its operations.</p> <p>"VD is relatively a new asset class in our country and with rising funding crunch in series B/C rounds, VD acts as bridge finance between rounds," Bansal said.</p>	 <p>Furlenco raises ₹ 20 Cr in venture debt from BlackSoil</p> <p>Furniture rental startup Furlenco has raised ₹20 Cr in a VD facility from BlackSoil.</p> <p>Furlenco has raised ~\$5.1 Mn in equity from investors like Lightbox Ventures, Crescent Ventures & Burman FO, and has also raised close to \$45 million in debt from HNIs & various financial institutions.</p> <p>"We are delighted to have BlackSoil as our latest partner. BlackSoil has quickly emerged as a prominent venture debt player helping startups across the board in their growth journey," said Ajith Karimpana, founder, Furlenco.</p>	
 <p>Mahaveer Finance raises ₹ 20 Cr</p> <p>Chennai based NBFC Mahaveer Finance has raised ₹20 Cr in bridge equity capital structured through a convertible instrument investment firm BlackSoil Capital.</p> <p>The commercial vehicle financier said it aims to use the funds to achieve its target asset under management (AUM) of ₹500 Cr for the year from AUM of ₹300 Cr currently.</p>	 <p>BlackSoil invests ₹ 20 Cr across 3 deals in Loanzen, SVCL and CMS IT</p> <p>VD firm BlackSoil announced that it has invested ₹20+ Cr cumulatively in used commercial vehicle financing NBFC, Loanzen Finance, microfinance NBFC, SV Creditline & IT Service provider, CMS IT.</p> <p>The funds will be deployed by the companies for the next stage of their growth.</p>	 <p>Logistics solutions provider LetsTransport raises ₹ 10 Cr from BlackSoil</p> <p>LetsTransport has raised ₹10 Cr from venture debt firm BlackSoil Capital.</p> <p>The company offers logistics solutions to enterprises by offering tech-enabled intra-regional transportation services.</p>	 <p>Pharmaceutical startup Koye Pharma raises ₹ 30 Cr from BlackSoil</p> <p>Koye Pharma raised ₹30 Cr in debt from Mumbai-based NBFC BlackSoil Capital. The pharmaceutical company will primarily use the funding to strengthen its position in the domestic formulation market and fuel its growth led working capital requirements.</p>	 <p>BlackSoil invests ₹ 12 Cr in Freightwala, UpMoney & RapidBox</p> <p>BlackSoil has so far concluded over 50 debt transactions to venture capital-backed growth companies and startups by deploying more than ₹500 Cr in the past 4.5 years.</p>
 <p>BlackSoil backs skincare chain in first bet from new credit fund</p> <p>VD platform BlackSoil has invested ₹10 Cr in Oliva, a chain of derma-focused clinics. The investment in Oliva marks BlackSoil's first bet from its new fund, the BlackSoil India Credit Fund.</p> <p>Oliva operates 23 clinics in 7 cities and says it has treated more than 2.5L customers. It offers skin & hair care products and treatments and says its revenue has grown at 40% CAGR from '15-16 to '19-20.</p> <p>This fund recently hit its first close at ₹110 Cr.</p>				

  <p>Digital payments to skyrocket 3x to 7,000 Lakh Cr by FY25</p> <p>"Covid-19 pandemic has accelerated the shift toward a more digital world. It has changed the ways businesses were done and technology is at the forefront of these changes. Opportunities for internet and tech companies have increased manifold in the last one year. Wide penetration of internet and lower internet cost has complemented the digital and technology trend for consumers and have changed the ways of shopping, education, agriculture, retail, logistics, finance, health, etc. businesses," said Ankur Bansal, Co-founder and Director, BlackSoil.</p>	  <p>Disruptions due to COVID-19, rise of telemedicine, and other key trends</p> <p>Ankur Bansal, Co-founder and Director, BlackSoil, a venture capital firm that backs healthcare players such as Brinton Pharmaceuticals and Onelnsure, believes that while a majority of doctors have understood the advantages of telemedicine, they had difficulty in implementing it. According to a survey by the International Journal of Scientific Research, almost 67 percent of doctors struggled with teleconsultation.</p>	  <p>Amazon, Twitter, Hyundai, & Domino's are buying Indian software, fueling a \$75 Bn dream chased by top VCs like Sequoia and Tiger Global</p> <p>Ankur Bansal, co-founder of BlackSoil Capital, in an interaction with Business Insider said that it's almost a given for all SaaS companies, who have found their product-market fit, to think global. Having global customers changes the valuation of a SaaS company "dramatically" and offers much better margins to the company.</p>
  <p>Byju's Aims to be profitable by FY 2022 despite acquisition spree</p> <p>In the last eight months, Byju's has spent more than US\$2 billion on acquisitions, consolidating market share in an industry that picked up significant momentum during the pandemic. The company's biggest bets include Aakash Educational Services in the test preparation segment.</p> <p>"Each of these acquisitions will allow Byju's to expand its product offering and geographical reach while also creating significant synergies," says Ankur Bansal, co-founder and director at BlackSoil, an India-based venture debt fund.</p>	  <p>Will Increased Agricultural Credit Supply Unleash Opportunities In Indian Agri-Fintech?</p> <p>Given this scenario, the target of 10K FPOs already set in the Union Budget 2019-2020 seems ambitious. "Farmers may typically lack the skills needed to run a business and an ecosystem is required with active participation from state governments. As such an ecosystem do not currently exist and may require deliberations from multiple stakeholders, the government may have refrained from any such promises," says Ankur Bansal, cofounder and director, BlackSoil.</p>	  <p>The At-Home Fitness Boom</p> <p>Thus, a hybrid model of digital and physical fitness may be adopted by many. There is also more scope of there being a division between the two fitness segments. "Individuals who are into general training and not dependent on weights may shift to digital coaching of Zumba, Yoga and CrossFit. However, individuals who need the personal contact of trainers and direct access to varied fitness equipment in a social environment will still prefer visiting the fitness centers," sums up Bansal.</p>
  <p>More firms raised venture debt funding in the wake of Covid-19</p> <p>Economic uncertainty surrounding the pandemic has heightened focus on venture debt. Growth Plans of several companies have been subdued or adjourned. This has created panic amongst entrepreneurs for Capital and are looking at strengthening their capital structure, said Ankur Bansal.</p>	  <p>PE-VC exits from Indian Companies at two-year high after Covid-19 setback</p> <p>We can expect an upswing in founders looking to raise funds or provide exits, specifically the ones who paused fundraising last year considering valuation haircuts or depressed market conditions, explained Ankur Bansal.</p>	





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