



ABANS HOLDINGS LIMITED

(Formerly Known as Abans Holdings Private Limited)

REVENUE RECOGNITION POLICY

Abans Holdings Limited

(Formerly Known as Abans Holdings Pvt. Ltd.)

CIN: U74900MH2009PLC231660

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Revenue Recognition Policy for Abans Holdings Limited

1. Purpose

The purpose of this policy is to establish principles for recognizing revenue arising from various sources of income for Abans Holdings Limited in accordance with Indian Accounting Standards (IND AS).

2. Scope

This policy applies to the following types of income:

- Management fees from investment management of Alternative Investment Funds
- Advisory fees for restructuring, business advisory, consulting
- Investment banking fees for brokering deals and raising capital for clients
- Sale of goods – commodities like gold and silver
- Sale of financial instruments – shares, government securities, and bonds

3. Revenue Recognition Principles

Revenue is recognized when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer. The entity recognizes revenue in the amount to which it expects to be entitled in exchange for those goods or services.

4. Types of Revenue and Recognition Criteria

4.1 Management Fees

Nature: Fees earned from the management of Alternative Investment Funds.

- **Recognition Criteria:** Revenue from management fees is recognized over the period of the management services provided. The fees are generally calculated as a percentage of the assets under management / capital commitment and are recognized on a time proportion basis as the services are performed.

4.2 Advisory Fees

Nature: Fees for providing restructuring, business advisory, and consulting services.

- **Recognition Criteria:** Revenue from advisory fees is recognized over time as the services are rendered. For fixed-price contracts, revenue is recognized based on the stage of completion of the service, using the input method (i.e., costs incurred to date in relation to the total expected costs). For time-based contracts, revenue is recognized as the services are provided.

4.3 Investment Banking Fees

Nature: Fees for brokering deals and raising capital for clients.

- **Recognition Criteria:** Revenue from investment banking fees is recognized at the point in time when the performance obligation is satisfied, typically when the deal is closed or the capital is successfully raised. In some cases, a portion of the fee may be recognized over time if it relates to ongoing services.

4.4 Sale of Goods – Commodities

Nature: Sale of commodities such as gold and silver.

- **Recognition Criteria:** Revenue from the sale of commodities is recognized at the point in time when control of the goods is transferred to the buyer, usually upon delivery. The amount recognized is based on the transaction price agreed upon with the customer.

4.5 Sale of Financial Instruments

Nature: Sale of financial instruments such as shares, government securities, and bonds.

- **Recognition Criteria:** Revenue from the sale of financial instruments is recognized at the point in time when the entity has transferred control of the instrument to the buyer, typically when the trade is executed. Revenue is measured at the fair value of the consideration received or receivable.

5. Measurement of Revenue

Revenue is measured based on the transaction price specified in the contract with the customer. The transaction price is the amount of consideration to which the entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

6. Contract Costs

Costs incurred to obtain or fulfill a contract with a customer are capitalized and amortized over the period of the contract if they are expected to be recovered.

7. Disclosures

The entity shall disclose sufficient information to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

8. Effective Date

This policy is effective from 07th August, 2024 and notwithstanding anything to the contrary this applies to all contracts entered with customers.

9. Review and Amendment

This policy shall be reviewed annually and amended as necessary to comply with changes in IND AS and business practices.

10. Adherence to Revenue Policy

It shall be the responsibility of the Finance & Accounts department to adhere the revenue policy at all given point in time for financial reporting purposes.

Abans Holdings Limited

Authorized By:

Date:

Revision Number:

Review Date: