



**Nuvama Custodial Services Limited**  
(formerly known as Edelweiss Capital Services Limited)

**Corporate Identity Number: U67190MH2021PLC355152**

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**Financial Statements for the year ended March 31, 2023**

## Independent Auditors' Report

To the Members of Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited)  
Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of **Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited)** ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





### Management's Responsibilities for the Ind AS Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.





- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 2.44(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary;
  - b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 2.44(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the period by the Company.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For NGS & Co. LLP  
Chartered Accountants  
Firm Registration No. 119850W

  
R. P. Soni  
Partner  
Membership No.:104796



UDIN: 23104796BGWDMQ4632

Place: Mumbai  
Date: May 18, 2023



**Annexure A to the Auditors' Report**

**The Annexure referred to in our Independent Auditors' Report to the members of Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited) ('the Company') on the financial statements for the year ended March 31, 2023, we report that:**

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the Company has a regular programme of physical verification of its property, plant and equipment by which all the property, plant and equipment are verified in a phased manner over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given by the management, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year ended March 31, 2023.
- (e) According to the information and explanations given by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not involve inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us by the management, during the year the Company has not made any investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given by the management, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.





- (vi) To the best of our knowledge and as explained by the management of the Company, the Company is not in the business of sale of any goods or provision of such services as prescribed u/s 148 (1) of Companies Act, 2013. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues, applicable to it, have been regularly deposited during the year by the Company with the appropriate authorities. The provisions relating to employees' state insurance, sales tax, service tax, duty of excise, duty of custom, value added tax and cess are not applicable to the Company.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, provident fund, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute. The provisions relating to employees' state insurance, sales tax, service tax, duty of excise, duty of custom, value added tax and cess are not applicable to the Company.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any loans or borrowings from any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- (c) The Company did not avail any term loan during the year. Hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year. Hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.






- (xi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a) to 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given by the management, the Company has not entered into non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) Based on our examination, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanations given by the management, there is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.





- (xix) On the basis of the financial ratios disclosed in note 2.36 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no unspent amounts in respect of other than ongoing projects, that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.45 to the financial statements.
- (b) According to the information and explanations given to us, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.45 to the financial statements.
- (xxi) The Report is part of standalone financials of the Company hence the requirement to report on clause 3(xxii) of the Order is not applicable to the Company.

For NGS & Co. LLP  
Chartered Accountants  
Firm Registration No. 119850W

  
R. P. Soni  
Partner  
Membership No.: 104796



UDIN: 23104796BGWDMQ4632

Place: Mumbai  
Date: May 18, 2023

**Annexure B to the Auditors' Report**

**Annexure B the Independent Auditor's report of even date on the financial statements of Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited) ("the Company")**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited) ("the Company")** as of March 31, 2023 in conjunction with our audit of financial statements of the Company for the period ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NGS & Co. LLP  
Chartered Accountants  
Firm Registration No. 119850W

  
R. P. Soni  
Partner  
Membership No.:104796



UDIN: 23104796BGWDMQ4632

Place: Mumbai  
Date: May 18, 2023

# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Balance Sheet as at March 31, 2023

(Currency : Indian rupees in thousands)

	Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non current assets</b>			
(a) Property, plant and equipment	2.1	1,766.67	2,052.42
(b) Intangible assets under development	2.3	17,548.58	-
(c) Other intangible assets	2.2	1,125.16	10,871.85
(d) Current tax assets (net)	2.4	22,390.31	3,268.03
(e) Deferred tax assets (net)	2.5	7,158.58	6,317.31
(f) Financial assets			
Other financial assets	2.6	6,000.00	5,000.00
		<b>55,989.30</b>	<b>27,509.61</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Stock in trade (Securities held for trading)	2.7	5,700.69	-
(ii) Trade receivables	2.8	26,317.19	16,569.12
(iii) Cash and cash equivalents	2.9	8,89,864.08	12,08,437.50
(iv) Bank balances other than cash and cash equivalents	2.10	4,44,972.40	3,07,262.54
(v) Other financial assets	2.11	1,370.00	10,04,532.64
(b) Other current assets	2.12	3,053.40	7,099.84
		<b>13,71,277.76</b>	<b>25,43,901.64</b>
<b>Total Assets</b>		<b>14,27,267.06</b>	<b>25,71,411.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	2.13	5,50,000.00	5,50,000.00
(b) Other equity	2.14	23,853.27	4,685.53
		<b>5,73,853.27</b>	<b>5,54,685.53</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	2.15	8,595.19	5,384.88
		<b>8,595.19</b>	<b>5,384.88</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	2.16		
(A) total outstanding dues of micro enterprises and small enterprises		764.67	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		3,00,984.66	14,26,834.40
(ii) Other financial liabilities	2.17	5,39,634.12	5,79,988.53
(b) Other current liabilities	2.18	1,018.15	3,038.91
(c) Provisions	2.19	2,417.00	1,479.00
		<b>8,44,818.60</b>	<b>20,11,340.84</b>
<b>TOTAL LIABILITIES</b>		<b>8,53,413.79</b>	<b>20,16,725.72</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>14,27,267.06</b>	<b>25,71,411.25</b>

The accompanying accounting policies and notes are an integral part of the financial statements

1 & 2

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W

R.P. Soni  
Partner

Membership No: 104796

Mumbai  
May 18, 2023



For and on behalf of the Board of Directors

Atul Badkar  
Managing Director &  
Chief Executive Officer  
DIN : 08063582

Shiv Sehgal  
Director  
DIN : 07112524

Anand Laila  
Executive Director  
DIN: 02891770  
Mahadev Gole  
Chief Financial Officer  
Mumbai  
May 18, 2023

Pradyumn Grover  
Company Secretary





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Statement of Profit and Loss for the year ended March 31, 2023

(Currency : Indian rupees in thousands)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Fee and commission income	2.20	3,62,172.64	1,66,649.93
Interest income	2.21	26,483.03	13,492.64
Dividend income	2.22	0.36	-
Net gain on fair value changes	2.23	130.20	-
<b>Total Revenue from operations</b>		<b>3,88,786.23</b>	<b>1,80,142.57</b>
<b>Other income</b>	2.24	<b>248.44</b>	<b>9.53</b>
<b>Total Income</b>		<b>3,89,034.67</b>	<b>1,80,152.10</b>
<b>Expenses</b>			
Employee benefits expense	2.25	1,33,864.98	87,429.53
Finance costs	2.26	437.99	703.78
Impairment on financial instruments	2.27	3,679.75	877.58
Depreciation, amortisation and impairment	2.1 & 2.2	12,124.28	28,154.67
Other expenses	2.28	2,14,915.81	40,008.71
<b>Total expenses</b>		<b>3,65,022.81</b>	<b>1,57,174.27</b>
<b>Profit before tax</b>		<b>24,011.86</b>	<b>22,977.83</b>
<b>Tax expenses:</b>			
Current tax		5,197.72	8,708.00
Deferred tax		(635.14)	(6,202.14)
<b>Profit for the year</b>		<b>19,449.28</b>	<b>20,471.97</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on defined benefit plans - gratuity (OCI)		(819.00)	(414.00)
Income tax relating to items that will not be reclassified to profit or loss		206.13	115.17
<b>Other Comprehensive Income</b>		<b>(612.87)</b>	<b>(298.83)</b>
<b>Total Comprehensive Income</b>		<b>18,836.41</b>	<b>20,173.14</b>
<b>Earnings per equity share (Face value of ₹ 10 each):</b>			
Basic and diluted (in rupees)	2.30	0.35	0.38

The accompanying accounting policies and notes are an integral part of the financial statements

As per our report of even date attached

**For NGS & Co. LLP**

Chartered Accountants

Firm Registration Number: 119850W

  
R.P. Soni


Partner

Membership No: 104796

Mumbai  
May 18, 2023



**For and on behalf of the Board of Directors**

  
Atul Badkar


Managing Director & CEO

DIN : 08063582

  
Anand Lalla

Executive Director

DIN: 02891270

  
Mahadev Gole

Chief Financial Officer

Mumbai  
May 18, 2023

  
Shiv Sehgal

Director

DIN : 07112524

  
Pradyumn Grover

Company Secretary



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Cash Flow Statement for the year ended March 31, 2023

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A Cash flow from operating activities</b>		
Profit before tax	24,011.86	22,977.83
<i>Adjustments for</i>		
Depreciation / amortisation	12,124.28	28,154.67
Provision for compensated absences	597.13	404.43
Provision for gratuity	1,817.00	1,127.60
Provision for expected credit loss	3,493.77	561.92
Loss on sale of property, plant and equipment	0.35	0.94
Fair value gain on investments	(101.68)	-
ESOP cost	331.33	732.72
<b>Operating cash flow before working capital changes</b>	<b>42,274.04</b>	<b>53,960.11</b>
Add / (Less): Adjustments for working capital changes		
(Increase)/decrease in trade receivables	(13,241.84)	(17,131.05)
(Increase)/decrease in other bank balances	(1,37,709.86)	(3,07,262.54)
(Increase)/decrease in stock in trade (securities held for trading)	(5,599.01)	-
(Increase)/decrease in other financial assets	10,02,162.64	(10,07,400.55)
(Increase)/decrease in other current assets	4,046.44	(7,059.94)
Increase/(decrease) in liabilities and provisions	(11,66,545.06)	20,09,522.80
<b>Cash generated from/(used in) operations</b>	<b>(2,74,612.65)</b>	<b>7,24,628.83</b>
Income taxes paid (net of refund)	(24,320.00)	(11,865.59)
<b>Net cash generated from/(used in) operating activities - A</b>	<b>(2,98,932.65)</b>	<b>7,12,763.24</b>
<b>B Cash flow from investing activities</b>		
Purchase of property, plant, equipment and intangibles	(19,641.05)	(40,939.63)
Sale of property, plant and equipment	0.28	13.44
<b>Net cash used in investing activities - B</b>	<b>(19,640.77)</b>	<b>(40,926.19)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from issue of share capital	-	30,000.00
<b>Net cash generated from financing activities - C</b>	<b>-</b>	<b>30,000.00</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(3,18,573.42)</b>	<b>7,01,837.05</b>
Cash and cash equivalent as at the beginning of the year	12,08,437.50	5,06,600.45
Cash and cash equivalent as at the end of the year	8,89,864.08	12,08,437.50





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Cash Flow Statement for the year ended March 31, 2023

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Notes:		
1 Component of cash and cash equivalents		
<b>Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	7,83,536.07	9,79,506.24
- in fixed deposits with original maturity less than 3 months	1,05,600.00	2,28,900.00
- accrued interest on fixed deposits	728.01	31.26
	<b>8,89,864.08</b>	<b>12,08,437.50</b>

2 The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statements" specified under Section 133 of Companies Act, 2013 read with Paragraph 7 of the Companies (Accounts) Rules, 2014.

3 Purchase of property, plant, equipment and intangibles includes movement of intangible assets under development during the year.

As per our report of even date attached

**For NGS & Co. LLP**

*Chartered Accountants*

Firm Registration Number: 119850W



**R.P. Soni**

Partner

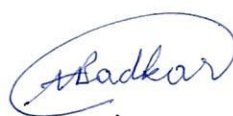
Membership No: 104796



Mumbai

May 18, 2023

**For and on behalf of the Board of Directors**



**Atul Badkar**

Managing Director & CEO

DIN : 08063582



**Shiv Sehgal**

Director

DIN : 07112524



**Anand Lalla**

Executive Director

DIN: 02891270



**Mahadev Gole**

Chief Financial Officer



**Pradyumn Grover**

Company Secretary

Mumbai

May 18, 2023



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Statement of changes in Equity for the year ended March 31, 2023

(Currency : Indian rupees in thousands)

### A. Equity share capital

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	5,50,000.00	5,20,000.00
Issue of shares during the year	-	30,000.00
<b>Balance at the end of the year</b>	<b>5,50,000.00</b>	<b>5,50,000.00</b>

### B. Other equity

	Retained earnings
<b>Balance as at April 1, 2021</b>	<b>(16,220.34)</b>
Profit for the year	20,471.97
Other comprehensive income	(298.83)
<b>Total Comprehensive Income for the year</b>	<b>20,173.14</b>
<b>Adjustment of share based payments on lapsed /cancelled</b>	<b>732.73</b>
<b>Balance as at March 31, 2022</b>	<b>4,685.53</b>
<b>Balance as at April 1, 2022</b>	<b>4,685.53</b>
Profit for the year	19,449.28
Other comprehensive income	(612.87)
<b>Total Comprehensive Income for the year</b>	<b>18,836.41</b>
<b>Adjustment of share based payments on lapsed /cancelled</b>	<b>331.33</b>
<b>Balance as at March 31, 2023</b>	<b>23,853.27</b>

As per our report of even date attached

### For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W




**R.P. Soni**

Partner

Membership No: 104796



### For and on behalf of the Board of Directors



**Atul Badkar**

Managing Director & CEO

DIN : 08063582



**Shiv Sehgal**

Director

DIN : 07112524



**Anand Lalla**

Executive Director

DIN: 02891270



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Chief Financial Officer



**Pradyumn Grover**

Company Secretary

Mumbai

May 18, 2023





# **Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

## **Notes to the financial statements**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

### **1 Significant accounting policies**

#### **1.1 Company background**

Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited) ('the Company') was incorporated on February 12, 2021. The Company is subsidiary of Edelweiss Financial Services Limited. On October 18, 2022, the Company has changed its name from Edelweiss Capital Services Limited to Nuvama Custodial Services Limited. The Company was incorporated for carrying out the business as custodian of securities and designated depository participant.

The Company has obtained Custodian of Securities License and Designated Depository Participant License from SEBI, Depository Participant Registration from NSDL, Custodian enablement from NSE Clearing Limited / Indian Clearing Corporation Limited, SLBM enablement from NSE Clearing Limited.

#### **1.2 Basis of preparation of financial statements**

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Company's financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value through profit or loss. The Company's financial statements are presented in Indian Rupees (INR) and all values are rounded off to the nearest thousands, except when otherwise indicated.

#### **1.3 Presentation of financial statements**

The Company's financial statements are presented in compliance with the Division II of the Schedule III to the Companies Act, 2013.

#### **1.4 Revenue recognition**

Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contracts and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. The Company applies the five-step approach for recognition of revenue:

- i) Identification of contract(s) with customers;
- ii) Identification of the separate performance obligations in the contract;
- iii) Determination of transaction price;
- iv) Allocation of transaction price to the separate performance obligations; and
- v) Recognition of revenue when (or as) each performance obligation is satisfied



**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.4 Revenue recognition (Continued)**

- Fee income includes fees for custody fees and advisory & other fees. All types of fee income are accounted for, on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty
- Interest income is recognised on accrual basis of accounting.

**1.5 Financial Instruments**

**Date of recognition**

Financial assets and financial liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades; purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

**Initial measurement of financial instruments**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**Day 1 profit or loss**

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

**Classification of financial instruments**

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

**Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of financial assets is recognised in profit and loss account.





**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.5 Financial Instruments (Continued)**

**Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets is recognised in Other Comprehensive Income.

**Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of financial assets is recognised in Profit and loss account.

**Amortized cost and effective interest rate (EIR)**

The effective interest rate is a method of calculating the amortised cost of a debt Instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

**Financial assets held for trading**

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

**Financial assets at fair value through profit or loss**

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily



**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.5 Financial Instruments (Continued)**

**Financial assets at fair value through profit or loss (Continued)**

required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis.

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; Or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; Or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the standalone balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

**Investment in equity instruments**

The Company subsequently measures all equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVOCI, when such instruments meet the definition of Equity under Ind AS and are not held for trading. Such classification is determined on an instrument-by-instrument basis. Investments in subsidiaries and associate companies are carried at cost.

**Financial liabilities**

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

**Debt securities and other borrowed funds**

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.





## **Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

### **Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

#### **1.5 Financial Instruments(Continued)**

##### **Financial guarantee**

Financial guarantees are contracts that require the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

##### **Financial liabilities and equity instruments**

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### **Reclassification of financial assets and liabilities**

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

##### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

##### **Derecognition of financial assets and financial liabilities**

###### **Derecognition of financial asset**

A financial asset (or, where applicable a part of a financial asset or a part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company shall transfer the financial asset if, and only if, either

- The Company transfers the rights to receive cash flows from the financial asset or
- It retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows in full without material delay



**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.5 Financial Instruments(Continued)**

**Derecognition of financial asset (Continued)**

to third party under pass through arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

**Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

**Impairment of financial assets**

The Company records allowance for expected credit loss (ECL) for all financial assets, other than financial assets held at FVTPL together with loan commitments and financial guarantee contracts.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to





**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.5 Financial Instruments (Continued)**

**Impairment of financial assets (Continued)**

determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates.

**Business model assessment**

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed.

**Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

**Write-offs**

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

**Determination of fair value**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its



## **Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

### **Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

#### **1.5 Financial Instruments (Continued)**

##### **Determination of fair value (Continued)**

highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

##### **Level 1 financial instruments:**

Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

##### **Level 2 financial instruments**

Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

##### **Level 3 financial instruments**

Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates for the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

#### **1.6 Property, plant and equipment**

Property, plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent cost incurred on an item of property, plant and equipment is recognized in the carrying amount thereof when those cost meet the recognition criteria as mentioned above, Repairs and maintenance are recognized in profit or loss as incurred.





**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.6 Property, plant and equipment (Continued)**

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives.

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the estimated useful lives of the respective fixed assets which are as per the provisions of Part C of Schedule II of the Act for calculating the depreciation.

The estimated useful lives of the fixed assets are as follows:

Class of asset	Useful life
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units – End user devices, such as desktops, laptops etc.	3 years

**1.7 Intangible fixed assets**

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible fixed assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangible such as software is amortised over a period of 3 years based on its estimated useful life.

**1.8 Impairment of non-financial assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the



**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.8 Impairment of non-financial assets (Continued)**

recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

**1.9 Stock-in-trade**

- a) The securities acquired with the intention of short term holding and trading positions are considered as stock-in-trade.
- b) The securities, held as stock-in-trade are valued at market value.

**1.10 Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at banks, which are subject to an insignificant risk of changes in value.

**1.11 Foreign currency transactions**

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise

**1.12 Income tax expenses**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will





**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

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**1.12 Income tax expenses (Continued)**

**Deferred tax (Continued)**

be available against which those deductible temporary differences can be utilised.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- tax planning opportunities are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

**1.13 Goods and Service Tax expenses**

During the financial period, the entity avails Input Tax credit ('ITC') of GST paid on various expenses incurred. Based on the ratio of Exempted turnover v/s Taxable turnover of the entity, GST Input Tax credit is being expensed off on a monthly basis to GST Expense a/c. Further, ITC on ineligible expenses (on which ITC is restricted under GST law) is also debited to GST Expense.



**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.14 Earnings per share**

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 - Earnings Per Share. Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

**1.15 Provisions and other contingent liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

**1.16 Retirement and other employee benefits**

The accounting policy followed by the Company in respect of its employee benefit schemes in accordance with Ind- AS 19 – Employee benefits, is set out below:

***Provident fund and national pension scheme***

The Company contributes to a recognized provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognized in the statement of profit and loss.





**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.16 Retirement and other employee benefits (Continued)**

***Gratuity***

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

***Compensated leave absences***

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits are determined using the projected unit credit method.

**1.17 Share-based payment arrangements**

Equity-settled share-based payments to employees are granted by the Holding Company. These are measured by reference to the fair value of the equity instruments at the grant date. These includes Stock Appreciation Rights (SARs) where the right to receive the difference between the SAR price and the market price of equity shares of the Holding Company on the date of exercise, either by way of cash or issuance of equity shares of the Holding Company, is at the discretion of the Holding Company. These are classified as equity settled share-based transaction.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Holding Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Holding Company revises its estimate of the number of equity instruments expected to vest. In cases where the share options granted vest in instalments over the vesting period, the Holding Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

**1.18 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.



**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

Notes to the financial statements (*Continued*)

for the year ended March 31, 2023

(Currency: Indian rupees in thousands)

**1.18 Significant accounting judgements, estimates and assumptions (Continued)**

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- (a) Actuarial assumptions used in calculation of defined benefit plans
- (b) Assumptions used in estimating the useful lives of tangible assets reported under property, plant and equipment.

**1.19 Standards issued but not yet effective**

There are no standard issued but not effective





## Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

#### 2.1 Property, plant and equipment

Description of Assets	Gross Block				Accumulated Depreciation and Impairment				Net Block
	As at April 01, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 01, 2022	Charge for the year	Disposals during the year	As at March 31, 2023	As at March 31, 2023
Office equipment	-	79.44	-	79.44	-	23.64	-	23.64	55.80
Computers	3,363.15	1,312.90	1.96	4,674.09	1,310.73	1,653.82	1.33	2,963.22	1,710.87
<b>Total</b>	<b>3,363.15</b>	<b>1,392.34</b>	<b>1.96</b>	<b>4,753.53</b>	<b>1,310.73</b>	<b>1,677.46</b>	<b>1.33</b>	<b>2,986.86</b>	<b>1,766.67</b>

Description of Assets	Gross Block				Accumulated Depreciation and Impairment				Net Block
	As at April 01, 2021	Additions during the year	Disposals during the year	As at March 31, 2022	As at April 01, 2021	Charge for the year	Disposals during the year	As at March 31, 2022	As at March 31, 2022
Computers	158.59	3,223.18	18.62	3,363.15	4.90	1,310.07	4.24	1,310.73	2,052.42
<b>Total</b>	<b>158.59</b>	<b>3,223.18</b>	<b>18.62</b>	<b>3,363.15</b>	<b>4.90</b>	<b>1,310.07</b>	<b>4.24</b>	<b>1,310.73</b>	<b>2,052.42</b>

#### 2.2 Other intangible assets

Description of Assets	Gross Block				Accumulated Amortisation and Impairment				Net Block
	As at April 01, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 01, 2022	Charge for the year	Disposals during the year	As at March 31, 2023	As at March 31, 2023
Software	37,664.67	700.13	-	38,364.80	26,792.82	10,446.82	-	37,239.64	1,125.16
<b>Total</b>	<b>37,664.67</b>	<b>700.13</b>	<b>-</b>	<b>38,364.80</b>	<b>26,792.82</b>	<b>10,446.82</b>	<b>-</b>	<b>37,239.64</b>	<b>1,125.16</b>

Description of Assets	Gross Block				Accumulated Amortisation and Impairment				Net Block
	As at April 01, 2021	Additions during the year	Disposals during the year	As at March 31, 2022	As at April 01, 2021	Charge for the year	Disposals during the year	As at March 31, 2022	As at March 31, 2022
Software	-	37,716.45	51.78	37,664.67	-	26,844.60	51.78	26,792.82	10,871.85
<b>Total</b>	<b>-</b>	<b>37,716.45</b>	<b>51.78</b>	<b>37,664.67</b>	<b>-</b>	<b>26,844.60</b>	<b>51.78</b>	<b>26,792.82</b>	<b>10,871.85</b>



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

### 2.3 Intangible assets under development

As at March 31, 2023	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
PMS AIF Excellence & Automation	17,548.58	-	-	-	17,548.58
<b>Total</b>	<b>17,548.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,548.58</b>

As at March 31, 2022	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	As at March 31, 2023	As at March 31, 2022
<b>2.4 Current tax assets (net)</b>		
Advance income taxes	22,390.31	3,268.03
(net of provisions for tax ₹ 13,905.73 thousands, previous year March 31, 2022 ₹ 8,708.00 thousands )		
	<b>22,390.31</b>	<b>3,268.03</b>
<b>2.5 Deferred tax assets (net)</b>		
<b>Deferred tax assets</b>		
<b>Trade receivable</b>		
Provision for standard assets - ECL provision	1,020.74	156.33
<b>Property, plant and equipment and intangibles</b>		
Difference between book and tax depreciation (including intangibles)	3,391.88	4,251.45
<b>Employee benefit obligations</b>		
Disallowances under section 43B of the Income Tax Act, 1961	2,771.55	1,909.53
<b>Sub total (A)</b>	<b>7,184.17</b>	<b>6,317.31</b>
<b>Deferred tax liabilities</b>		
<b>Investments and other financial instruments</b>		
Fair valuation of stock-in-trade	25.59	-
<b>Sub total (B)</b>	<b>25.59</b>	<b>-</b>
<b>Total (A - B)</b>	<b>7,158.58</b>	<b>6,317.31</b>
<b>2.6 Other financial assets</b>		
(Unsecured Considered good, unless stated otherwise)		
Deposits placed with/ for exchange/ depositories	6,000.00	5,000.00
	<b>6,000.00</b>	<b>5,000.00</b>

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
<b>2.7 Stock in trade (securities held for trading)</b>				
Equity shares - Unquoted	15,520	5,700.69	-	-
	<b>15,520</b>	<b>5,700.69</b>	<b>-</b>	<b>-</b>
Investments in India		5,700.69		-
Investments outside India		-		-
		<b>5,700.69</b>		<b>-</b>





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at 31 March 2023	As at March 31, 2022
<b>2.8 Trade receivables</b>		
Unsecured, considered good	30,372.88	17,131.04
	<b>30,372.88</b>	<b>17,131.04</b>
<b>Less: Allowance for expected credit losses</b>		
Unsecured, considered good	4,055.69	561.92
	<b>4,055.69</b>	<b>561.92</b>
	<b>26,317.19</b>	<b>16,569.12</b>

### Trade receivables aging

March 31, 2023	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Gross receivables</b>						
Undisputed Trade receivables - considered good	27,674.38	2,471.00	37.12	184.93	5.45	30,372.88
<b>Total gross receivables (A)</b>	<b>27,674.38</b>	<b>2,471.00</b>	<b>37.12</b>	<b>184.93</b>	<b>5.45</b>	<b>30,372.88</b>
<b>ECL provision on receivables</b>						
Undisputed Trade receivables - considered good	2,091.33	1,736.86	37.12	184.93	5.45	4,055.69
<b>Total ECL provision on receivables (B)</b>	<b>2,091.33</b>	<b>1,736.86</b>	<b>37.12</b>	<b>184.93</b>	<b>5.45</b>	<b>4,055.69</b>
<b>Total receivables net of provision (A - B)</b>	<b>25,583.05</b>	<b>734.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,317.19</b>

March 31, 2022	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Gross receivables</b>						
Undisputed Trade receivables - considered good	16,824.03	71.83	216.19	18.99	-	17,131.04
<b>Gross receivable (A)</b>	<b>16,824.03</b>	<b>71.83</b>	<b>216.19</b>	<b>18.99</b>	<b>-</b>	<b>17,131.04</b>
<b>ECL provision on receivables</b>						
Undisputed Trade receivables - considered good	308.45	18.29	216.19	18.99	-	561.92
<b>Total ECL provision on receivables (B)</b>	<b>308.45</b>	<b>18.29</b>	<b>216.19</b>	<b>18.99</b>	<b>-</b>	<b>561.92</b>
<b>Total receivables net of provision (A - B)</b>	<b>16,515.58</b>	<b>53.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,569.12</b>

### Reconciliation of impairment allowance on trade receivables:

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as on April 1, 2021	-
Add/ (less): asset originated or acquired (net)	561.92
<b>Impairment allowance as on March 31, 2022</b>	<b>561.92</b>
Add/ (less): asset originated or acquired (net)	3,493.77
<b>Impairment allowance as on March 31, 2023</b>	<b>4,055.69</b>

	As at 31 March 2023	As at March 31, 2022
<b>2.9 Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	7,83,536.07	9,79,506.24
- in fixed deposits with original maturity less than 3 months	1,05,600.00	2,28,900.00
- accrued interest on fixed deposits	728.01	31.26
	<b>8,89,864.08</b>	<b>12,08,437.50</b>
<b>2.10 Bank balances other than cash and cash equivalents</b>		
Fixed deposits with bank (refer note 2)	4,44,972.40	3,07,262.54
	<b>4,44,972.40</b>	<b>3,07,262.54</b>

### Note:

- Fixed deposit balances with banks earns interest at fixed rate.
- Fixed deposits pledged aggregating to ₹ 4,41,000 thousands (previous year ₹ 2,00,900 thousands) with exchanges to meet margin requirement



Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2023	As at March 31, 2022
<b>2.11 Other financial assets</b>		
(Unsecured Considered good, unless stated otherwise)		
Receivable from exchange /clearing house (net)	-	10,01,448.39
Other assets	1,370.00	3,084.25
	<b>1,370.00</b>	<b>10,04,532.64</b>
<b>2.12 Other current assets</b>		
(Unsecured Considered good, unless stated otherwise)		
Input tax credit	20.75	719.60
Prepaid expenses	1,951.29	820.58
Vendor advances	1,081.36	5,557.84
Advances to employees	-	1.82
	<b>3,053.40</b>	<b>7,099.84</b>





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2023	As at March 31, 2022
<b>2.13 Equity share capital</b>		
<b>Authorised :</b>		
60,000,000 Equity Shares of ₹ 10 each	6,00,000.00	6,00,000.00
	<u>6,00,000.00</u>	<u>6,00,000.00</u>
<b>Issued, Subscribed and Paid up:</b>		
55,000,000 (PY: 55,000,000) Equity shares of ₹ 10 each, fully paid-up	5,50,000.00	5,50,000.00
	<u>5,50,000.00</u>	<u>5,50,000.00</u>

### a. Movement in share capital :

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	5,50,00,000	5,50,000.00	5,20,00,000	5,20,000.00
Shares issued during the year	-	-	30,00,000	30,000.00
Outstanding at the end of the year	<u>5,50,00,000</u>	<u>5,50,000.00</u>	<u>5,50,00,000</u>	<u>5,50,000.00</u>

### b. Shares held by holding/ultimate holding company and/or their subsidiaries/ associates

	As at March 31, 2023			As at March 31, 2022		
	No of shares	Amount	%	No of shares	Amount	%
Edelweiss Financial Services Limited	2,80,50,000	2,80,500.00	51%	2,80,50,000	2,80,500.00	51%
Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	-	-	2,69,50,000	2,69,500.00	49%
	<u>2,80,50,000</u>	<u>2,80,500.00</u>	<u>51%</u>	<u>5,50,00,000</u>	<u>5,50,000.00</u>	<u>100%</u>

### c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2023			As at March 31, 2022		
	No of shares	Amount	%	No of shares	Amount	%
Edelweiss Financial Services Limited	2,80,50,000	2,80,500.00	51%	2,80,50,000	2,80,500.00	51%
Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	2,69,50,000	2,69,500.00	49%	2,69,50,000	2,69,500.00	49%
	<u>5,50,00,000</u>	<u>5,50,000.00</u>	<u>100%</u>	<u>5,50,00,000</u>	<u>5,50,000.00</u>	<u>100%</u>

### d. Shares held by promoters at the end of the year

	As at March 31, 2023			As at March 31, 2022		
Promoter name	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Edelweiss Financial Services Limited	2,80,50,000	51%	-	2,80,50,000	51%	-
	<u>2,80,50,000</u>	<u>51%</u>	<u>-</u>	<u>2,80,50,000</u>	<u>51%</u>	<u>-</u>

### e. Terms/rights attached to equity shares :

The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



## Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2023	As at March 31, 2022
<b>2.14 Other Equity</b>		
Retained Earnings	23,853.27	4,685.53
	<b>23,853.27</b>	<b>4,685.53</b>
<b>A) Nature and purpose of reserves</b>		
Retained earnings comprises of the Company's undistributed earnings after taxes.		
<b>B) Movement in Other Equity</b>		
<b>Retained Earnings</b>		
Opening Balance	4,685.53	(16,220.34)
Adjustment of share based payments on lapsed /cancelled	331.33	732.73
Add: Profit for the year	19,449.28	20,471.97
Add: Other comprehensive income for the year	(612.87)	(298.83)
<b>Total</b>	<b>23,853.27</b>	<b>4,685.53</b>
<b>2.15 Provisions</b>		
Provision for employee benefits		
Gratuity	7,536.09	4,798.91
Compensated leave absences	1,059.10	585.97
	<b>8,595.19</b>	<b>5,384.88</b>
<b>2.16 Trade Payables</b>		
Total outstanding dues of micro enterprises and small enterprises	764.67	-
Total outstanding dues to creditors other than micro enterprises and small enterprises	3,00,984.66	14,26,834.40
	<b>3,01,749.33</b>	<b>14,26,834.40</b>

#### Trade payables due for payment

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2023</b>						
(i) MSME	427.81	336.86	-	-	-	764.67
(ii) Others	40,992.29	2,56,970.13	3,022.24	-	-	3,00,984.66
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>41,420.10</b>	<b>2,57,306.99</b>	<b>3,022.24</b>	<b>-</b>	<b>-</b>	<b>3,01,749.33</b>

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2022</b>						
(i) MSME	-	-	-	-	-	-
(ii) Others	3.55	14,26,830.85	-	-	-	14,26,834.40
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>3.55</b>	<b>14,26,830.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,26,834.40</b>

Trade Payables includes ₹ 764.67 thousands (Previous year : Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the period to "Suppliers" registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2023	As at March 31, 2022
<b>2.17 Other financial liabilities</b>		
Other payables	44.93	211.33
Margin money		
Payable to client (net)	4,24,615.89	5,59,656.81
Others		
Accrued salaries and benefits	29,319.94	20,120.39
Payable to exchange / clearing house (net)	22,310.70	-
Advances from customers	63,342.66	-
	<b>5,39,634.12</b>	<b>5,79,988.53</b>
<b>2.18 Other current liabilities</b>		
Others		
Statutory liabilities*	1,011.43	2,954.15
Others	6.72	84.76
	<b>1,018.15</b>	<b>3,038.91</b>
* Includes withholding taxes, other taxes payable		
<b>2.19 Provisions</b>		
Provision for employee benefits		
Gratuity short term	2,104.00	1,290.00
Compensated absences short term	313.00	189.00
	<b>2,417.00</b>	<b>1,479.00</b>



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>2.20 Fee and commission income</b>		
Advisory and other fees	2,98,954.50	1,26,034.45
Custody fees	63,218.14	40,615.48
	<b>3,62,172.64</b>	<b>1,66,649.93</b>
<b>2.20A Service transferred at a point in time</b>	3,62,172.64	1,66,649.93
Service transferred over time	-	-
	<b>3,62,172.64</b>	<b>1,66,649.93</b>
<b>2.21 Interest income</b>		
Interest income on fixed deposits	26,483.03	13,492.64
	<b>26,483.03</b>	<b>13,492.64</b>
<b>2.22 Dividend income</b>		
Dividend on Stock in trade (Securities held for trading)	0.36	-
	<b>0.36</b>	-
<b>2.23 Net gain on fair value changes</b>		
Net gain on financial instruments at fair value through profit or loss		
Profit on trading of securities (net)	28.52	-
Fair value gain - P&L - equity	101.68	-
<b>Total Net gain on fair value changes</b>	<b>130.20</b>	-
Fair value changes:		
- Realised	28.52	-
- Unrealised	101.68	-
	<b>130.20</b>	-
<b>2.24 Other income</b>		
Interest on income tax refund	248.39	6.62
Miscellaneous income	0.05	2.91
	<b>248.44</b>	<b>9.53</b>





## Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>2.25 Employee benefit expenses</b>		
Salaries and wages	1,22,976.49	79,311.43
Contribution to provident and other funds	6,416.88	3,704.80
Expense on share based payments - refer note below	832.03	926.93
Staff welfare expenses	3,639.58	3,486.37
	<b>1,33,864.98</b>	<b>87,429.53</b>
<b>Note:</b>		
Edelweiss Financial Services Limited ("EFSL") the holding Company has Employee Stock Option Plans (ESOP) and Stock Appreciation Rights Plans (SAR) in force. Based on such ESOP/SAR schemes, parent entity has granted an ESOP/SAR option to acquire equity shares of EFSL that would vest in a graded manner to Company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.		
<b>2.26 Finance costs</b>		
Financial and bank charges	430.58	658.10
Interest on Margin	-	45.66
Other interest expense	7.41	0.02
	<b>437.99</b>	<b>703.78</b>
<b>2.27 Impairment on financial instruments</b>		
Bad- debts and advances written off	185.98	315.66
Provision for doubtful debts	3,493.77	561.92
	<b>3,679.75</b>	<b>877.58</b>
On trade receivables	3,582.08	877.58
On other receivables	97.67	-
	<b>3,679.75</b>	<b>877.58</b>



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>2.28 Other expenses</b>		
Advertisement and business promotion	10,288.52	706.10
Auditors' remuneration	546.00	375.00
Commission and brokerage	32,537.10	-
Communication	1,042.19	772.40
Directors' sitting fees	860.00	280.00
Insurance	34.10	50.03
Legal and professional fees	1,27,145.28	7,023.52
Printing and stationery	138.62	68.73
Rates and taxes	2.50	25.45
Rent	10,218.08	6,554.66
Repairs and maintenance	16.29	-
<b>Other expenditure</b>		
Foreign exchange loss (net)	3,779.39	182.37
Computer expenses	2,253.77	4,566.71
Computer software	14,001.50	12,779.66
Clearing & custodian charges	100.00	-
Dematerialisation charges	-	779.99
Loss on sale of of fixed assets	0.35	0.94
Membership and subscription	2,758.41	1,194.34
Office expenses	165.07	48.74
Postage and courier	42.22	71.25
ROC Expenses	43.99	34.90
Seminar & Conference	376.25	-
Goods & Service tax expenses	1,147.70	400.53
Stamp duty	192.17	277.36
Stock exchange expenses	1,003.09	519.18
Transportation Charges	1.00	-
Travelling and conveyance	5,037.40	2,205.81
Miscellaneous expenses	273.08	3.24
Outside Services Cost	911.74	1,087.80
	<b>2,14,915.81</b>	<b>40,008.71</b>
<b>Auditors' remuneration:</b>		
As Auditors		
Statutory audit fees	210.00	225.00
Limited review	180.00	75.00
Other services including certification work	150.00	75.00
Reimbursement of expenses	6.00	-
	<b>546.00</b>	<b>375.00</b>





Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.29 Income tax

The components of income tax expense :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	7,856.00	8,708.00
Adjustment in respect of income tax of prior years	(2,658.28)	-
Deferred tax relating to origination and reversal of temporary differences	(635.14)	(6,202.14)
<b>Total tax charge for the year</b>	<b>4,562.58</b>	<b>2,505.86</b>
Current tax	5,197.72	8,708.00
Deferred tax	(635.14)	(6,202.14)

2.29a The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit before taxes</b>	<b>24,011.86</b>	<b>22,977.83</b>
Tax rate (in %)	25.17%	27.82%
<b>Tax charge at statutory rate</b>	<b>6,043.30</b>	<b>6,392.43</b>
<b>Tax effect of :</b>		
Adjustment in respect of income tax of prior years	(2,658.28)	-
Effect of utilisation of tax losses or deferred tax assets on losses earlier recognised now considered not recoverable	-	(3,001.45)
Effect of deductible expenses: share based payments	-	257.89
Effect of deductible expenses: section 35D	(289.99)	(320.54)
Impact of tax rate changes (between two accounting periods)	602.21	-
Others	865.34	(822.47)
<b>Tax charge for the year recorded in P&amp;L</b>	<b>4,562.58</b>	<b>2,505.86</b>

2.29b The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	Opening deferred tax asset / (liability)	Movement for the year (2022-23)			Closing deferred tax asset / (liability)
		Recognised in profit or loss	Recognised in other comprehensive income	Total movement	
<b>Deferred taxes in relation to:</b>					
Property, plant and equipment	4,251.45	(859.57)	-	(859.57)	3,391.88
Fair valuation of stock-in-trade	-	(25.59)	-	(25.59)	(25.59)
Employee benefits obligations	1,909.53	655.89	206.13	862.02	2,771.55
Provision on expected credit loss	156.33	864.41	-	864.41	1,020.74
<b>Total</b>	<b>6,317.31</b>	<b>635.14</b>	<b>206.13</b>	<b>841.27</b>	<b>7,158.58</b>

	Opening deferred tax asset / (liability)	Movement for the year (2021-22)			Closing deferred tax asset / (liability)
		Recognised in profit or loss	Recognised in other comprehensive income	Total movement	
<b>Deferred taxes in relation to:</b>					
Property, plant and equipment	-	4,251.45	-	4,251.45	4,251.45
Employee benefits obligations	-	1,794.36	115.17	1,909.53	1,909.53
Provision on expected credit loss	-	156.33	-	156.33	156.33
<b>Total</b>	<b>-</b>	<b>6,202.14</b>	<b>115.17</b>	<b>6,317.31</b>	<b>6,317.31</b>

2.29c Deductible temporary differences, unused tax losses and unused tax credits on which deferred tax asset is not recognised in balance sheet

As at March 31, 2023							
Financial Year to which the loss related to	Deductible temporary differences		Unused tax losses				
	Amount	Expiry year- financial year	Unabsorbed business losses		Unabsorbed depreciation		Total
			Amount	Expiry year- financial year	Amount	Expiry year- financial year	Amount
FY 2022-23	-	-	-	-	-	-	-
FY 2021-22	-	-	-	-	-	-	-
FY 2020-21	-	-	-	-	-	-	-

As at March 31, 2022							
Financial Year to which the loss related to	Deductible temporary differences		Unused tax losses				
	Amount	Expiry year- financial year	Unabsorbed business losses		Unabsorbed depreciation		Total
			Amount	Expiry year- financial year	Amount	Expiry year- financial year	Amount
FY 2021-22	-	-	-	-	-	-	-
FY 2020-21	-	-	10,757.10	2028-29	31.72	2028-29	10,788.82



## Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

#### 2.30 Earnings per share

In accordance with Indian Accounting Standard 33 on Earnings per share as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a)	Profit after tax (as per Statement of Profit and Loss)	19,449.28	20,471.97
	Less: dividend on preference share including dividend distribution tax	-	-
	Net profit for the year attributable to equity shareholders	19,449.28	20,471.97
b)	Calculation of weighted average number of equity Shares of Rs. 10 each		
	Number of shares outstanding at the beginning of the year	5,50,00,000	5,20,00,000
	Number of Shares issued during the year	-	30,00,000
	Total number of equity shares outstanding at the end of the year	5,50,00,000	5,50,00,000
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	5,50,00,000	5,41,86,301
c)	Basic and diluted earnings per share (in rupees) (a)/(b)	0.35	0.38

The basic and diluted earnings per share are the same as there are no diluted potential equity shares.

Basic earning per share (EPS) is calculated by dividing the net profit for the period attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of company (after adjusting for interest on the convertible preference shares (net of tax) by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

#### 2.31 Segment reporting

The Company is in the business of providing custodial services for securities and financial instruments.

Since business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment

#### 2.32 Contingent liabilities and capital commitments

##### A. Contingent liabilities

The Company has no contingent liabilities (Previous year: Nil) as at the balance sheet date.

##### B. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 77,80.23 thousands (net of advances) (Previous year: ₹ 5,000 thousands)





## Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

#### 2.33 Disclosure as required by Indian Accounting Standard 24 – “Related Party Disclosure”, as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 :

(i) **Names of related parties by whom control is exercised**

Edelweiss Financial Services Limited

Holding company

(ii) **Investor who exercises significant influence over the Company**

Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)

(iii) **Fellow Subsidiary with whom transactions have taken place**

Ecap Securities & Investments Limited (formerly known as ECap Equities Limited)

Edelweiss Rural & Corporate Services Limited

Zuno General Insurance Limited (formerly known as Edelweiss General Insurance Company Limited)

Edelweiss Tokio Life Insurance Company Limited

Edelweiss Asset Management Limited

ECL Finance Limited

Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

(iv) **Subsidiaries of investor who exercises significant influence over the Company**

Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)

Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)

Nuvama Investment Advisors Private Limited (formerly known as Edelweiss Investment Advisors Pte Limited)

Nuvama Financial Services (UK) Limited (formerly known as Edelweiss Financial Services (UK) Limited)

Nuvama Investment Advisors (Hongkong) Private Limited (formerly known as Edelweiss Securities (Hong Kong) Private Limited)

(v) **Key Managerial Personnel**

Anand Lalla

Atul Badkar

Dipankar Basu (w.e.f. July 21, 2021 upto May 25, 2022)

Mahadev Gole (w.e.f. July 21, 2021)

Pradyumn Grover (w.e.f. May 25, 2022)

Executive Director

Executive Director

Company Secretary

Chief Financial Officer

Company Secretary



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.33 Disclosure as required by Indian Accounting Standard 24 – “Related Party Disclosure”, as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (Continued)

### Transactions and balances with related parties

Sr. No	Particulars	Related Party Name	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Capital account transactions</b>				
1	Equity share capital	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	-	14,700.00
		Edelweiss Financial Services Limited	-	15,300.00
<b>Current account transactions</b>				
2	Custody Fees received from	Edelweiss Asset Management Limited	112.24	664.45
3	Cost reimbursement paid to	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	4,225.54	2,013.06
		Ecap Securities & Investments Limited (formerly known as ECap Equities Limited)	-	0.78
		Edelweiss Rural & Corporate Services Limited	6.00	154.93
		Zuno General Insurance Limited (formerly known as Edelweiss General Insurance Company Limited)	1,889.56	959.23
		Edelweiss Tokio Life Insurance Company Limited	489.70	-
		Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	509.34	143.44
		Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	5,521.85	4,211.79
4	Cost reimbursement received from	Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	5,458.53	-
5	Fixed assets purchased from	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	-	0.51
		Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	-	6.43
		Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	-	106.07
6	Fixed assets sold to	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	-	1.46
		Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	-	2.71
		Edelweiss Financial Services Limited	-	9.27
7	Expense on share based payments paid to	Edelweiss Financial Services Limited	832.02	926.93
8	Remuneration paid to KMP	Anand Lalla	7,942.97	2,558.63
		Atul Badkar	15,467.70	7,815.66
		Dipankar Basu	295.41	920.02
		Mahadev Gole	2,375.16	1,336.70
		Pradyumn Grover	448.91	-
9	Slump Sale of Custody, SLB and DDP business (refer note 1)	Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	-	1,01,156.19
10	Gratuity liability transferred from	Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	-	413.42
		Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	151.00	2,670.83
		Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	1,219.00	-
11	Gratuity liability transferred to	Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	7.00	-
12	Chaperoning Fees paid to	Nuvama Investment Advisors Private Limited (formerly known as Edelweiss Investment Advisors Pte Limited)	71,351.04	-
		Nuvama Investment Advisors (Hongkong) Private Limited (formerly known as Edelweiss Securities (Hong Kong) Private Limited)	25,360.94	-
		Nuvama Financial Services (UK) Limited (formerly known as Edelweiss Financial Services (UK) Limited)	18,673.78	-
13	Fees and commission expenses	Nuvama Investment Advisors LLC (formerly known as EAAA LLC)	4,627.88	-
		Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	26,505.10	-





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.33 Disclosure as required by Indian Accounting Standard 24 – “Related Party Disclosure”, as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (Continued)

Sr. No	Particulars	Related Party Name	As at March 31, 2023	As at March 31, 2022
	<b>Balances with related parties</b>			
1	Other Reimbursements (ESOP) receivable from	Edelweiss Financial Services Limited	-	223.36
2	Trade payable to	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	551.19	186.80
		Edelweiss Financial Services Limited	37.03	-
		Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	8,021.08	478.17
		Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	71.42	15.87
		Edelweiss Rural & Corporate Services Limited	-	1.58
		ECL Finance Limited	-	-
		Zuno General Insurance Limited (formerly known as Edelweiss General Insurance Company Limited)	80.15	33.53
		Nuvama Investment Advisors Private Limited (formerly known as Edelweiss Investment Advisors Pte Limited)	16,360.43	-
		Nuvama Investment Advisors (Hongkong) Private Limited (formerly known as Edelweiss Securities (Hong Kong) Private Limited)	10,010.20	-
		Nuvama Financial Services (UK) Limited (formerly known as Edelweiss Financial Services (UK) Limited)	5,801.46	-
3	Trade receivables from	Edelweiss Asset Management Limited	-	54.97
		Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	-	57.72
		Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	16.64	11.04
4	Other payables	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	-	25.00
		Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	7.00	-
5	Other receivables	Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	-	413.42
		Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited)	151.00	2,670.83
		Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	1,219.00	-

### Note:

- The consideration primarily comprises of fixed deposits, trade receivables and fixed assets.



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

### 2.34 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits

#### A) Defined contribution plan (Provident fund and National Pension Scheme)

Amount of ₹ 4,598.07 thousands (Previous year : ₹ 2,576.33 thousands) is recognised as expenses in "Employee benefit expenses" – note 2.23 in the statement of profit and loss.

#### B) Defined benefit plan (Gratuity)

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss, the funded status, unfunded status and amount recognised in the balance sheet for the gratuity benefit plan.

#### Expenses recognised in the statement of profit and loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
<i>Service cost</i>		
a. Current Service Cost	1,415.00	843.00
b. Past Service Cost	-	-
c. Loss/ (Gain) from Settlement	-	-
Net interest on net defined benefit liability/ (asset)	402.00	285.00
Employer Expenses	1,817.00	1,128.00

#### Net liability/(assets) recognized in the balance sheet

	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation (DBO)	9,640.10	6,089.10
Fair value of plan assets	-	-
Net (assets)/liability recognised in the balance sheet	-	-
Funded status [Surplus/ (Deficit)]	-	-
Of which, Short term provision	2,104.00	1,290.00
Experience adjustment on plan liabilities: (Gain) /Loss	1,443.00	512.00

#### Reconciliation of Defined benefit obligation

	As at March 31, 2023	As at March 31, 2022
Present value of DBO at start of the year	6,089.10	2,611.10
<i>Service cost</i>		
a. Current Service Cost	1,415.00	843.00
b. Past Service Cost	-	-
Interest cost	402.00	285.00
Benefits paid	(448.00)	(1,148.00)
<i>Re-measurements</i>		
Actuarial (gain)/loss on changes in demographic assumptions	104.00	-
Actuarial (gain)/loss from changes in financial assumptions	(728.00)	(98.00)
Actuarial (gain)/loss from experience over the past year	1,443.00	512.00
Transfer In/(Out)	1,363.00	3,084.00
Present value of DBO at the end of the year	9,640.10	6,089.10





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

### 2.34 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits (Continued)

#### B) Defined benefit plan (Gratuity) (Continued)

##### Movement in Other Comprehensive Income

	March 31, 2023	March 31, 2022
Balance at start of year (Loss)/ Gain	(610.00)	(196.00)
Re-measurement on DBO		-
a. Actuarial (Loss)/Gain from changes in demographic assumptions	(104.00)	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	728.00	98.00
c. Actuarial (Loss)/Gain from experience over the past years	(1,443.00)	(512.00)
Re-measurement on Plan Assets		
Return on plan assets excluding amount included in net interest on the net defined benefit liability/ (asset)	-	-
Re-measurement on Asset Ceiling	-	-
Changes in the effect of limiting a net defined benefit asset to the asset ceiling	-	-
Balance at the end of period (Loss)	(1,429.00)	(610.00)

##### Sensitivity Analysis

	March 31, 2023	March 31, 2022
<b>DOB increases / (decreases ) by</b>		
1 % Increase in Salary Growth Rate	359.00	191.00
1 % Decrease in Salary Growth Rate	(338.00)	(180.00)
1 % Increase in Discount Rate	(335.00)	(181.00)
1 % Decrease in Discount Rate	363.00	196.00
1 % Increase in Withdrawal Rate	(21.00)	(11.00)
1 % Decrease in Withdrawal Rate	21.00	12.00
Mortality (Increase in expected lifetime by 1 year)	Negligible change	Negligible change
Mortality (Increase in expected lifetime by 3 year)	Negligible change	1

##### Movement in Net (Liability)/ Asset

	March 31, 2023	March 31, 2022
Net (Liability)/ Asset at start of year	(6,089.10)	(2,611.10)
Net (Acquisition)/ Divestiture	-	-
Net Transfer (In)/ Out	(1,363.00)	(3,084.00)
<b>Movement during the year</b>		
Current Service Cost	(1,415.00)	(843.00)
Past Service Cost	-	-
Net interest on net DBO	(402.00)	(285.00)
Changes in Foreign Exchange Rates	-	-
Re-measurement	(819.00)	(414.00)
Contributions/ Benefits	448.00	1,148.00
Surplus / (Deficit) at end of year	(9,640.10)	(6,089.10)

##### Principal actuarial assumptions at the balance sheet date

	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate (% p.a.)	7.10%	5.40%
Salary escalation (% p.a.)	7.00%	7.00%
Interest Rate on Net DBO/ (Asset) (% p.a.)	5.40%	5.00%
Withdrawal Rate (% p.a.)	22%	25%
Mortality rate	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Expected average remaining working lives of employees	3 years	3 years



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees)

### 2.35 Total market risk exposure

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, equity prices and Index movements. The company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

Particulars	March 31, 2023		
	Carrying amount	Traded risk	Non-traded risk
<b>Assets</b>			
Cash and cash equivalent and other bank balances	13,34,836.48	-	13,34,836.48
Stock-in-trade	5,700.69	-	5,700.69
Trade receivables	26,317.19	-	26,317.19
Other financial assets	7,370.00	-	7,370.00
<b>Total</b>	<b>13,74,224.36</b>	<b>-</b>	<b>13,74,224.36</b>

Particulars	March 31, 2022		
	Carrying amount	Traded risk	Non-traded risk
<b>Assets</b>			
Cash and cash equivalent and other bank balances	15,15,700.04	-	15,15,700.04
Stock-in-trade	-	-	-
Trade receivables	16,569.12	-	16,569.12
Other financial assets	10,09,532.64	-	10,09,532.64
<b>Total</b>	<b>25,41,801.80</b>	<b>-</b>	<b>25,41,801.80</b>

### 2.36 Industry analysis - Risk concentration

The following table shows the risk concentration by industry for the components of the balance sheet.

Particulars	Financial services	March 31, 2023
<b>Financial assets</b>		
Cash and cash equivalent and other bank balances	13,34,836.48	13,34,836.48
Stock in trade (Securities held for trading)	5,700.69	5,700.69
Trade receivables	26,317.19	26,317.19
Other financial assets	7,370.00	7,370.00
<b>Total</b>	<b>13,74,224.36</b>	<b>13,74,224.36</b>

Particulars	Financial services	March 31, 2022
<b>Financial assets</b>		
Cash and cash equivalent and other bank balances	15,15,700.04	15,15,700.04
Stock in trade (Securities held for trading)	-	-
Trade receivables	16,569.12	16,569.12
Other financial assets	10,09,532.64	10,09,532.64
<b>Total</b>	<b>25,41,801.80</b>	<b>25,41,801.80</b>





**Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in thousands)

**2.37 Analysis of non-derivative financial liabilities by remaining contractual maturities**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial liabilities as at

March 31, 2023	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	2,48,102.53	8,631.76	-	45,015.04	-	-	-	-	-	3,01,749.33
Other financial liabilities	-	4,46,926.59	172.38	-	92,535.15	-	-	-	-	-	5,39,634.12
<b>Total undiscounted non-derivative financial liabilities</b>	-	<b>6,95,029.12</b>	<b>8,804.14</b>	-	<b>1,37,550.19</b>	-	-	-	-	-	<b>8,41,383.45</b>

March 31, 2022	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	14,26,834.40	-	-	-	-	-	-	-	-	14,26,834.40
Other financial liabilities	-	5,79,988.53	-	-	-	-	-	-	-	-	5,79,988.53
<b>Total undiscounted non-derivative financial liabilities</b>	-	<b>20,06,822.93</b>	-	-	-	-	-	-	-	-	<b>20,06,822.93</b>

**Analysis of non-derivative financial assets by remaining contractual maturities**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial assets as at

March 31, 2023	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	7,19,696.43	71,355.95	60,055.00	56,320.21	63,342.66	62,346.01	3,01,720.22	-	-	-	13,34,836.48
Stock-in-trade	-	-	-	-	-	5,700.69	-	-	-	-	5,700.69
Trade receivables	-	-	-	-	26,317.19	-	-	-	-	-	26,317.19
Other financial assets	-	-	-	-	1,370.00	-	-	-	-	6,000.00	7,370.00
<b>Total</b>	<b>7,19,696.43</b>	<b>71,355.95</b>	<b>60,055.00</b>	<b>56,320.21</b>	<b>91,029.85</b>	<b>68,046.70</b>	<b>3,01,720.22</b>	-	-	<b>6,000.00</b>	<b>13,74,224.36</b>

March 31, 2022	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	15,15,700.04	-	-	-	-	-	-	-	-	-	15,15,700.04
Stock-in-trade	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	16,569.12	-	-	-	-	-	-	16,569.12
Other financial assets	-	10,01,448.39	-	3,084.25	-	-	-	-	-	5,000.00	10,09,532.64
<b>Total</b>	<b>15,15,700.04</b>	<b>10,01,448.39</b>	-	<b>19,653.37</b>	-	-	-	-	-	<b>5,000.00</b>	<b>25,41,801.80</b>



# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees)

### 2.37 Disclosure related to collateral

Following table sets out availability of the Company's assets to support funding

As at March 31, 2023	Pledge as collateral	Contractually/ legally restricted assets <sup>1</sup>	Available as collateral	others <sup>2</sup>	Total carrying amount
Cash and cash equivalent including bank balance	4,41,000.00	6,95,104.90	1,35,388.92	63,342.66	13,34,836.48
Stock in trade (Securities held for trading)	-	-	5,700.69	-	5,700.69
Trade receivables	-	-	26,317.19	-	26,317.19
Other financial assets	-	6,000.00	1,370.00	-	7,370.00
Property, plant and equipment	-	-	1,766.67	-	1,766.67
Other intangible assets	-	1,125.16	-	-	1,125.16
Intangible assets under development	-	17,548.58	-	-	17,548.58
Other current assets	-	-	-	3,053.40	3,053.40
<b>Total assets</b>	<b>4,41,000.00</b>	<b>7,19,778.64</b>	<b>1,70,543.47</b>	<b>66,396.06</b>	<b>13,97,718.17</b>

As at March 31, 2022	Pledge as collateral	Contractually/ legally restricted assets <sup>1</sup>	Available as collateral	others <sup>2</sup>	Total carrying amount
Cash and cash equivalent including bank balance	2,00,900.00	9,72,664.59	3,42,135.45	-	15,15,700.04
Stock in trade (Securities held for trading)	-	-	-	-	-
Trade receivables	-	-	16,569.12	-	16,569.12
Other financial asset	-	10,06,448.39	3,084.25	-	10,09,532.64
Property, plant and equipment	-	-	2,052.42	-	2,052.42
Other intangible assets	-	10,871.85	-	-	10,871.85
Other current assets	-	719.60	6,380.24	-	7,099.84
<b>Total assets</b>	<b>2,00,900.00</b>	<b>19,90,704.43</b>	<b>3,70,221.48</b>	<b>-</b>	<b>25,61,825.91</b>

(i) <sup>1</sup>Represents assets which are not pledged and the Company believes it is restricted from using to secure funding for legal or contractual or other reason

(ii) <sup>2</sup>Represents assets which are not restricted for use as collateral, but that the Company would not consider readily available to secure funding in the normal course of business





# Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

### 2.36 Details of Ratios

Particulars	As at/For the year ended March 31, 2023	As at/For the year ended March 31, 2022
Current Ratio (refer note 1)	162%	127%
Debt-Equity Ratio (Refer note 4)	0%	0%
Debt Service Coverage Ratio (Refer note 4)	0%	0%
Return on Equity Ratio (refer note 2)	3%	4%
Inventory turnover ratio (refer note 5)	0%	0%
Trade Receivables turnover ratio (refer note 5)	0%	0%
Trade payables turnover ratio (refer note 5)	0%	0%
Net capital turnover ratio (refer note 5)	0%	0%
Net profit ratio (refer note 5)	0%	0%
Return on Capital Employed (refer note 3)	4%	4%
Return on Investment (refer note 4)	0%	0%

#### Note

1. Current ratio = Current assets / Current liabilities

2. Return on Equity ratio = Net profit after tax - preference dividend / Average shareholder's equity

3. Return on Capital Employed = Earnings before interest and taxes / Capital Employed = Tangible networth (Net-worth - intangible assets) + Total Debt + Deferred Tax Liability

4. Debt equity ratio, Debt Service Coverage ratio, Interest Service Coverage ratios and Total Debts/ Total Assets and Return on Investment are nil since there is no debt and investment during the current year and previous year.

5. Inventory turnover ratio, Trade receivable ratio, Trade payable turnover, Net capital turnover and Net profit ratio are not applicable owing to the business model of the company.

### 2.37 Foreign currency

The Company has undertaken the following transactions in foreign currency during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Expenditure incurred in foreign currency (on accrual basis)</b>		
Professional fees	-	252.00
Software Maintenance Expenses	1,397.36	1,090.44
Sponsorship expenses	-	409.00
Membership & Subscription Charges	447.79	-
Chaperoning fees	1,20,013.64	-
<b>Total</b>	<b>1,21,858.79</b>	<b>1,751.44</b>
<b>Income earned in foreign currency (on accrual basis)</b>		
Custody fee income	34,569.22	18,428.24
	<b>34,569.22</b>	<b>18,428.24</b>

### 2.38 Fair values of financial instruments

There are no instruments under fair value hierarchy at each reporting date and hence, no disclosure is required.

### 2.39 Market risk

There is no equity or other price risk at each reporting date and hence, no disclosure is required.

### 2.40 Financial instruments Not measured at Fair value

Carrying amount of cash and cash equivalent, Stock in trade (Securities held for trading), trade receivables and other trade payables as on March 31, 2023 approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.



## Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

- 2.41** The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- 2.42** Edelweiss Financial Services Limited, being the Holding Company along with fellow subsidiaries and associates incurs expenditure like employee costs, business promotion, communication expenses, Group Medclaim, insurance, rent etc. which is for the common benefit of itself and its subsidiaries including the Company. These costs expended are reimbursed by the Company on the basis of number of employees, actual identifications etc. On the same lines, branch running costs expended (if any) by the Company for the benefit of fellow subsidiaries and associate are recovered by the Company. Accordingly, and as identified by the management, the expenditure heads in note 2.25 and 2.28 include reimbursements paid and are net of reimbursements received based on the management's best estimate.
- 2.43** The Company had entered into an agreement dated March 17, 2021 with Nuvama Clearing Services Limited (formerly known as Edelweiss Custodial Services Limited), a related company, to purchase the business of being a custodian of securities and designated depository participant and securities lending and borrowing, for consideration of Rs. 1,01,156.19 thousands. The sale transaction was concluded on June 18, 2021.
- 2.44 Other Disclosures**
- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
  - (ii) The Company does not have any transactions with companies struck off.
  - (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
  - (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
  - (vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961





## Nuvama Custodial Services Limited (formerly known as Edelweiss Capital Services Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

#### 2.45 Corporate Social Responsibility (CSR)

CSR provisions are not applicable as the turnover & net worth are below the prescribed limits of 1000 Crs & 500 Crs respectively Also, the Company has profits less than 5 crore in reporting years

#### 2.46 Rounded off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirements of Schedule III, unless otherwise stated.

#### 2.47 Previous year comparatives

Previous year's figures have been regrouped and rearranged wherever necessary to confirm to current year's presentation / classification

Signature to notes forming an integral part of the financial statements.  
As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W



R.P. Soni

Partner

Membership No: 104796



Mumbai

May 18, 2023

For and on behalf of the Board of Directors



Atul Badkar

Managing Director &  
Chief Executive Officer

DIN : 08063582



Shiv Sehgal

Director

DIN : 07112524



Anand Lalla

Executive Director

DIN: 02891270



Mahadev Gole

Chief Financial Officer

Mumbai

May 18, 2023



Pradyumn Grover

Company Secretary

