

Nuvama Investment Advisors LLC (*previously EAAA LLC*)
Financial Statement for the year ended March 31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Nuvama Investment Advisors LLC (Formerly known as EAAA LLC)

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Nuvama Investment Advisors LLC (formerly known as EAAA LLC) ("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 Special Purpose Financial Statements give the information required by the Companies Act, 2013, as amended ("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 loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Special Purpose 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 Special Purpose 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 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 Special Purpose Financial Statements.

Other Information

This being a foreign company, the requirement regarding reporting on Other Information clause is not applicable to the Company.

Responsibility of Management for the Special Purpose Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the Special Purpose Financial Statements, management is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose 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 Special Purpose 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 with reference to financial statements 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Other Matter

This report is issued at the request of the Company and is intended solely for the information and use of the Edelweiss Financial Services Limited ('Ultimate Holding Company' or 'EFSL'), for the purpose of presentation of its consolidated audited financial statements for the year ended March 31, 2023 and for the use of S.R. Batliboi & Co. LLP (the current statutory auditor of EFSL) in conjunction with the audit of consolidated financial statements and is not intended to be and should not be used for any other purpose.

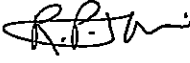
Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in Paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020 issued by Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since the Company is a foreign company, the reporting requirements are not applicable to it.
2. As required by Section for the purpose of Special purpose financial statements, 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 special purpose 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) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these special purpose financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
 - (f) As informed to us, the Company being a foreign company, the requirement for provisions of section 197(16) of the Companies Act, 2013 are not applicable;
 - (g) With respect to the other matters to be included in the Auditor's Report 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. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 2.37(VI)(A) to the Special Purpose 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 Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 2.37(VI)(B) to the Special Purpose 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.
- iv. No dividend has been declared or paid during the year by the Company.

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W


R.P. Soni
Partner
Membership Number: 104796



UDIN: 23104796BGWDKW2818

Place: Mumbai
Date: May 12, 2023

Annexure A

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 with reference to special purpose financial statements of **Nuvama Investment Advisors LLC (Formerly known as EAAA LLC)** ("the Company") as of March 31, 2023 in conjunction with our audit of the special purpose financial statements of the Company for the year 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these special purpose financial statements 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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these special purpose financial statements 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 with reference to these special purpose financial statements and their operating effectiveness. Our audit of internal financial controls with reference to special purpose financial statement included obtaining an understanding of internal financial controls with reference to these special purpose financial statements, 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 judgement, 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 with reference to these special purpose financial statements.



Meaning of Internal Financial Controls With Reference to these Special Purpose Financial Statements

A Company's internal financial controls with reference to special purpose financial statements 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 controls with reference to special purpose financial statements 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

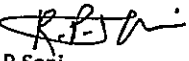
Inherent Limitations of Internal Financial Controls With Reference to Special Purpose Financial Statements

Because of the inherent limitations of internal financial controls with reference to these special purpose financial statements, 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 with reference to special purpose financial statements to future periods are subject to the risk that the internal financial control with reference to special purpose financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to special purpose financial statements and such internal financial controls with reference to special purpose financial statements 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 issued by ICAI.

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W


R.P. Soni
Partner
Membership Number: 104796



UDIN: 23104796BGWDKW2818

Place: Mumbai
Date: May 12, 2023

Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Balance Sheet as at March 31, 2023

(Currency : Indian rupees)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	2.1	10,08,107	5,85,976
Trade receivables	2.2	9,61,839	-
Loans	2.3	-	77,172
Investments	2.4	903	832
Other financial assets	2.5	69,444	64,039
		<u>20,40,293</u>	<u>7,28,019</u>
Non-financial Assets			
Property, plant and equipment	2.6	54,002	92,780
Other intangible assets	2.7	-	6,174
Other non-financial assets	2.8	6,55,820	3,64,584
		<u>7,09,822</u>	<u>4,63,538</u>
TOTAL ASSETS		<u>27,50,115</u>	<u>11,91,557</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
(i) Trade payables	2.9	-	-
(ii) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		49,57,405	12,30,000
Borrowings (other than debt securities)	2.10	70,513	-
Other financial liabilities	2.11	32,29,794	16,66,371
		<u>82,57,712</u>	<u>28,96,380</u>
Non-financial liabilities			
Provisions	2.12	1,01,785	28,521
Other non-financial liabilities	2.13	66,748	95,422
		<u>1,68,533</u>	<u>1,23,943</u>
TOTAL LIABILITIES		<u>84,26,245</u>	<u>30,20,323</u>
EQUITY			
Equity share capital	2.14	7,45,12,463	6,24,73,338
Other equity	2.15	(8,01,88,593)	(6,43,02,104)
TOTAL EQUITY		<u>(56,76,130)</u>	<u>(18,28,766)</u>
TOTAL LIABILITIES AND EQUITY		<u>27,50,115</u>	<u>11,91,557</u>

Significant accounting policies and notes to the financial statements

1 & 2

As per our report of even date attached

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

R.P. Soni
Partner
Membership No. : 104796
12th May 2023



For and on behalf of the Board of Directors

Mannish Ajodah
Director

12th May 2023

Siddhant Chandan Lallah
Director



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

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

(Currency : Indian rupees)

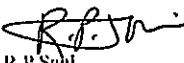
	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
Fee and commission income	2.16	75,79,677	-
Interest income	2.17	(4,442)	4,253
Total revenue from operations		75,75,235	4,253
Other income	2.18	4,41,067	4,35,990
Total Income		80,16,302	4,40,243
Expenses			
Employee benefits expenses	2.19	1,29,18,662	1,05,44,425
Finance costs	2.20	5,81,363	10,27,482
Depreciation, amortisation and impairment	2.6, 2.7	51,549	1,74,954
Impairment on financial instruments	2.21	77,529	12,66,634
Other expenses	2.22	1,00,34,651	1,40,11,757
Total expenses		2,36,63,754	2,70,25,252
Loss before tax		(1,56,47,452)	(2,65,85,009)
Tax expenses:			
Current tax		-	-
Deferred tax		-	-
Loss for the year		(1,56,47,452)	(2,65,85,009)
Other comprehensive income			
Items that will be reclassified to profit or loss			
Foreign exchange translation reserve (FCTR)		(2,39,037)	2,02,762
Other comprehensive income		(2,39,037)	2,02,762
Total comprehensive income		(1,58,86,489)	(2,63,82,247)
Basic and diluted earnings per equity share in rupees (Face value USD 1 each)	2.23	(13.15)	(24.15)

Significant accounting policies and notes to the financial statements

1 & 2

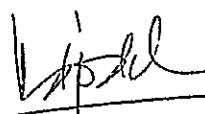
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For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W



R.P. Soni
Partner
Membership No. : 104796
12th May 2023



For and on behalf of the Board of Directors


Mannish Ajodah
Director

12th May 2023


Subhas Chandra Lallah
Director



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Cash Flow Statement for the year ended March 31, 2023

(Currency : Indian rupees)

	For the year ended March 31, 2023	For the year ended March 31, 2022
A Cash flow from operating activities		
Loss before tax	(1,56,47,452)	(2,65,85,009)
<i>Adjustments for</i>		
Depreciation, amortisation	51,549	1,74,954
Interest expenses	66,898	-
Interest income	4,442	(4,253)
Impairment on financial instruments	77,529	12,66,634
Provision for compensated absence	70,856	-
Operating cash flow before working capital changes	(1,53,76,178)	(2,51,47,674)
<i>Adjustments for working capital changes</i>		
Decrease/(increase) in trade receivables	(9,61,864)	-
Decrease/(increase) in other financial assets	-	74
Decrease/(increase) in other non- financial assets	(2,60,462)	9,94,919
(Decrease)/increase in other non- financial liability	(36,744)	(1,20,137)
(Decrease) /increase in trade payables & provisions	36,23,591	(4,44,303)
(Decrease)/increase in financial liabilities	14,22,925	(4,06,779)
Cash flow from operations	(1,15,88,732)	(2,51,23,900)
Income taxes paid	-	-
Net cash used in operating activities	(1,15,88,732)	(2,51,23,900)
B Cash flow from investing activities		
Loan given	-	(74,485)
Net cash used in investing activities	-	(74,485)
C Cash flow from financing activities		
Proceeds from issue of share capital	1,20,39,125	-
Net cash generated from financing activities	1,20,39,125	-
D Change in foreign exchange translation reserve	(28,262)	2,84,660
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	4,22,131	(2,49,13,725)
 Cash and cash equivalent as at the beginning of the year	 5,85,976	 2,54,99,701
Cash and cash equivalent as at the end of the year	10,08,107	5,85,976

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

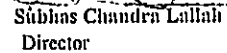


R.P. Soni
Partner
Membership No. : 104796
12th May 2023



For and on behalf of the Board of Directors


Mannish Ajodah
Director
12th May 2023


Subhas Chandra Lalliah
Director



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

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

(Currency: Indian rupees)

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	6,24,73,338	6,24,73,338
Changes in equity share capital (refer note 2.14)	1,20,39,125	-
Balance at the end of the year	7,45,12,463	6,24,73,338

B. Other equity

	Reserves and surplus	Other comprehensive income	Total
	Retained earnings	Foreign exchange translation reserve	
Balance as at March 31, 2021	(5,59,37,248)	1,80,17,391	(3,79,19,857)
Loss for the year	(2,65,85,009)	-	(2,65,85,009)
Other comprehensive income	-	2,02,762	2,02,762
Total comprehensive income for the year	(2,65,85,009)	2,02,762	(2,63,82,247)
Balance as at March 31, 2022	(8,25,22,257)	1,82,20,153	(6,43,02,104)
Loss for the year	(1,56,47,452)	-	(1,56,47,452)
Other comprehensive income	-	(2,39,037)	(2,39,037)
Total comprehensive income for the year	(1,56,47,452)	(2,39,037)	(1,58,86,489)
Balance as at March 31, 2023	(9,81,69,709)	1,79,81,116	(8,01,88,593)

Nature and purpose of reserve

(1) Retained earnings

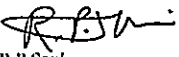
Retained earnings comprises of the Company's undistributed earnings after taxes

(2) Foreign exchange translation reserve

The functional currency of the Company is United States Dollars (\$). These INR financial statements are prepared and presented for the purpose of consolidation, which is the functional currency of the holding entity. Foreign exchange translation reserve represents the exchange difference arising on translation of balances from functional currency to the presentation currency (INR).

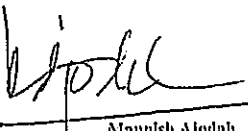
As per our report of even date attached


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


R.P. Soni
Partner
Membership No. : 104796
12th May 2023



For and on behalf of the Board of Directors


Manish Ajodah
Director
12th May 2023


Supriya Chandra Lalit
Director



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1. Significant accounting policies

1.1 Company background

Nuvama Investment Advisors LLC (formerly EAAA LLC) (the "Company") was incorporated on May 25, 2009 as a private company limited by shares and holds a Global Business License Category 1 under the Financial Services Act 2007. The principal activity of the Company is to provide investment advisory services but can also provide referral services. The Company holds an Investment Adviser (Unrestricted) License as issued by the Financial Services Commission under the Securities Act 2005. Its registered office is situated at C/o Citco (Mauritius) Limited, Level 4, Tower A, 1 Exchange Square, Wall Street, Ebene 72201, Mauritius.

The Company has retained the services of Citco (Mauritius) Limited to assist it in performing certain corporate and administration services.

1.2 Basis of preparation of financial statements and Functional Currency

The financial statements of the Company has 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 being a foreign company prepared its financial statements in United States Dollar (USD) which is its Functional currency. However for consolidation purpose, the company presents these financial statements in Indian rupees (INR), which is the functional currency of the ultimate holding company.

The assets and liabilities are translated into INR at the spot rate of exchange prevailing at the reporting date and their statement of profit and loss are translated at daily exchange rate prevailing during the year. The exchange differences arising on translation are recognised in OCI and accumulated as a separate component of other equity.

These 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. The Financial Statements are presented in INR.

1.3 Presentation of financial statements

These financial statements are Special Purpose Indian Accounting Standards (Ind-AS) Financial Statement prepared for the purpose of preparation of consolidated financial statements for the year ended 31 March 2023 for Edelweiss Financial Services Limited (Ultimate Holding Company) for its reporting of Consolidated audited financial results under Ind-AS Division III of Schedule III of the Companies Act, 2013 ("the Act").

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 2.26.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legal right to offset,



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.3 Presentation of financial statements (Continued)

enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties

1.4 Recognition of Interest and Dividend income

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:

1. Identification of contract(s) with customers;
2. Identification of the separate performance obligations in the contract;
3. Determination of transaction price;
4. Allocation of transaction price to the separate performance obligations; and
5. Recognition of revenue when (or as) each performance obligation is satisfied
 - Fee income is 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.
 - Revenue from fund management services is recognised over the tenure in accordance with the terms and conditions of the investment management agreement between the Company and the Fund for which the Company acts as a fund manager.

1.5 Financial Instruments

Date of recognition

Financial assets and financial liabilities, with the exception of borrowings 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.



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

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.

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 method 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.



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

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

Disclosure requirement of Ind AS 107-Financial Instruments: Disclosure

Investment in equity instruments

The Company subsequently measures all equity investments at fair value through profit and 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 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. Investments in subsidiaries are carried at cost

Financial liabilities

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



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

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.

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 a Company entity are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized 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 assets

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 has transferred the financial asset if, and only if, either

- The Company has transferred 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 assumed a contractual obligation to pay the cash flows in full without material delay 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:



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

Derecognition of financial assets (Continued)

- 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 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.



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

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-off

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 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 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:



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

Determination of fair value (Continued)

- 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 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.

Operating leases

A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Company assesses whether the contract is or contains lease

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 statement profit or loss as incurred.

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.



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.6 Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognized 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 recognized in the statement of profit and 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	Life of asset
Office equipments	5 years
Computer	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 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 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand. Cash and cash equivalents in the Balance Sheet comprise cash at Banks, on hand and short-term deposits with original maturities of three months or less, which are subject to an insignificant risk of changes in value.



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.10 Foreign currency transactions

The financial statements are presented in Indian Rupees and functional currency is in USD. 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.

1.11 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 year. 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 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



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.11 Income tax expenses (Continued)

Deferred tax (Continued)

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.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.12 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.

1.13 Retirement and other employee benefit

Compensated 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 in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

1.14 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.



Nuvama Investment Advisors LLC (Formerly EAAA LLC)

Notes to the financial statements for the year ended March 31, 2023

(Currency: Indian rupees)

1.14 Provisions and other contingent liabilities

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 standalone 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.

1.15 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.

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) Assumptions used on discounted cash flows, growth rate and discount rate to justify the value of management rights reported under intangible assets.
- (b) Assumptions used in estimating the useful lives of tangible assets reported under property, plant and equipment.

1.16 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1.17 Standards issued but not yet effective

There are no new standard or amendment issued but not effective.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency - Indian rupees)

	As at March 31, 2023	As at March 31, 2022
2.1 Cash and cash equivalents		
Balances with banks		
- in current accounts	10,08,107	5,85,976
	<u>10,08,107</u>	<u>5,85,976</u>

2.2 Trade receivables

Particulars	March 31, 2023	March 31, 2022
Receivables considered good - Unsecured	9,61,839	-
	<u>9,61,839</u>	<u>-</u>
Less: Allowance for expected credit losses	-	-
	<u>9,61,839</u>	<u>-</u>

Trade receivables ageing schedule

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	
Gross receivables						
Undisputed trade receivables - considered good	9,61,839	-	-	-	-	9,61,839
Gross receivables (A)	9,61,839	-	-	-	-	9,61,839
ECL provision on receivables						
Total ECL provision on receivables (B)	-	-	-	-	-	-
Total receivables net of provision = (A)-(B)	9,61,839	-	-	-	-	9,61,839

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	
Gross receivables						
Undisputed trade receivables - considered good	-	-	-	-	-	-
Gross receivables (A)	-	-	-	-	-	-
ECL provision on receivables						
Total ECL provision on receivables (B)	-	-	-	-	-	-
Total receivables net of provision = (A)-(B)	-	-	-	-	-	-

	As at March 31, 2023	As at March 31, 2022
2.3 Loans		
<i>(if 'considered good, unless stated otherwise)</i>		
<u>Unsecured, repayable on demand</u>		
Loans & advances to others	-	77,172
	<u>-</u>	<u>77,172</u>

Particulars	As at March 31, 2023	As at March 31, 2022
A. Loan to others (at amortised cost)		
Loan to others (outside India)	-	77,172
	<u>-</u>	<u>77,172</u>
Less: Impairment loss allowance on A	-	-
Total (A) Net	-	77,172

Loan to others is at a fixed interest rate of 6.85 % p.a compounded monthly, repayable on demand.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.4 Investments

	March 31, 2023			March 31, 2022		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
(a) Investments in ordinary shares of others						
EW Special Opportunities Fund II Pte Limited*	USD 0.01	-	1	USD 0.01	-	-
			<u>1</u>			<u>-</u>
Less : Provision for impairment			<u>(1)</u>			<u>-</u>
			-			-
(b) Other non-current investments						
Management shares						
Nuvama India Opportunities Fund						
(formerly known as EW India Opportunities Fund)	USD 0.01	999	821	USD0.01	999	757
Investment in Nuvama India Focus Fund (formerly known as EW India Focus Fund)			82			75
Multi Strategy Opportunities SPC			<u>8,218</u>			<u>7,579</u>
			9,121			8,411
Less : Provision for impairment			<u>(8,218)</u>			<u>(7,579)</u>
			903			832
Total (a+b)			<u>903</u>			<u>832</u>

* Change in amount of Investment is due to foreign currency translation



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.4. Investments (continued)

Particulars	As at March 31, 2023						
	At Amortised cost (1)	Through OCI (2)	Through P&L (3)	Designated at fair value through profit or loss (4)	Subtotal 5 = (2+3+4)	At cost (subsidiaries, associates, and joint ventures) (6)	Total 7 = (1+5+6)
(i) Equity instruments							
a) Investments in ordinary shares of others							
EW Special Opportunities Fund II Pte Limited	1	-	-	-	-	-	1
b) Other non-current investments - Management shares							-
Nuvama India Opportunities Fund (formerly known as EW India Opportunities Fund)	821	-	-	-	-	-	821
Investment in Nuvama India Focus Fund (formerly known as EW India Focus Fund)	82	-	-	-	-	-	82
Multi Strategy Opportunities SPC	8,218	-	-	-	-	-	8,218
Total - Gross (A)	9,122	-	-	-	-	-	9,122
Investments outside India	9,122	-	-	-	-	-	9,122
Investment in India	-	-	-	-	-	-	-
Total - Gross (B)	9,122	-	-	-	-	-	9,122
Less Allowance for impairment (C)	8,219	-	-	-	-	-	8,219
Total Net (A - C)	903	-	-	-	-	-	903

Particulars	As at March 31, 2022						
	At Amortised cost (1)	Through OCI (2)	Through P&L (3)	Designated at fair value through profit or loss (4)	Subtotal 5 = (2+3+4)	At cost (subsidiaries, associates, and joint ventures) (6)	Total 7 = (1+5+6)
(i) Equity instruments							
a) Investments in ordinary shares of others							
EW Special Opportunities Fund II Pte Limited	-	-	-	-	-	-	-
b) Other non-current investments - Management shares							-
Nuvama India Opportunities Fund (formerly known as EW India Opportunities Fund)	757	-	-	-	-	-	757
Investment in Nuvama India Focus Fund (formerly known as EW India Focus Fund)	75	-	-	-	-	-	75
Multi Strategy Opportunities SPC	7,579	-	-	-	-	-	7,579
Total - Gross (A)	8,411	-	-	-	-	-	8,411
Investments outside India	8,411	-	-	-	-	-	8,411
Investment in India	-	-	-	-	-	-	-
Total - Gross (B)	8,411	-	-	-	-	-	8,411
Less Allowance for impairment (C)	7,579	-	-	-	-	-	7,579
Total Net (A - C)	832	-	-	-	-	-	832

Note: It represents investment in management shares and carry shares. These are not entitled to dividend nor net assets of the investee entities except for the nominal amount invested. Hence the carrying amount are valued at the nominal value.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at March 31, 2023	As at March 31, 2022
2.5 Other financial assets		
Deposits- others	69,444	64,039
	<u>69,444</u>	<u>64,039</u>



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.6. Property, plant and equipment

Description of assets	Gross block				Accumulated Depreciation and Impairment				Net block
	As at April 01, 2022	Additions during the year	Other adjustments	As at March 31, 2023	As at April 01, 2022	For the year	Other adjustments	As at March 31, 2023	As at March 31, 2023
Computer	9,94,426	-	83,928	10,78,354	9,04,125	43,364	77,743	10,25,232	53,122
Office equipment	24,446	-	2,063	26,509	21,967	1,774	1,888	25,629	880
Total	10,18,872	-	85,991	11,04,863	9,26,092	45,138	79,631	10,50,861	54,002

2.7. Other intangible assets

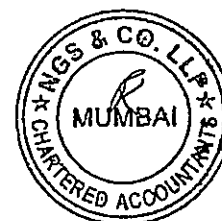
Description of assets	Gross block				Accumulated Amortisation and Impairment				Net block
	As at April 01, 2022	Additions during the year	Other adjustments	As at March 31, 2023	As at April 01, 2022	For the year	Other adjustments	As at March 31, 2023	As at March 31, 2023
Computer software	39,294	-	3,316	42,610	33,120	6,411	3,079	42,610	-
Total	39,294	-	3,316	42,610	33,120	6,411	3,079	42,610	-

2.6. Property, plant and equipment

Description of assets	Gross block				Accumulated Depreciation and Impairment				Net block
	As at April 01, 2022	Additions during the year	Other adjustments	As at March 31, 2022	As at April 01, 2022	For the year	Other adjustments	As at March 31, 2022	As at March 31, 2022
Computer	9,64,489	-	29,937	9,94,426	7,21,664	1,58,321	24,140	9,04,125	90,301
Office equipment	23,710	-	736	24,446	16,161	4,753	1,053	21,967	2,479
Total	9,88,199	-	30,673	10,18,872	7,37,825	1,63,074	25,193	9,26,092	92,780

2.7. Other intangible assets

Description of assets	Gross block				Accumulated Amortisation and Impairment				Net block
	As at April 01, 2022	Additions during the year	Other adjustments	As at March 31, 2022	As at April 01, 2022	For the year	Other adjustments	As at March 31, 2022	As at March 31, 2022
Computer software	38,111	-	1,183	39,294	19,332	11,880	1,908	33,120	6,174
Total	38,111	-	1,183	39,294	19,332	11,880	1,908	33,120	6,174



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

As at
March 31, 2023

As at
March 31, 2022

2.8 Other non-financial assets

(Unsecured considered good, unless stated otherwise)

Prepaid expenses	6,55,820	3,64,584
	<u>6,55,820</u>	<u>3,64,584</u>

2.9 Trade payables

Trade payables from non-related parties	49,57,405	12,30,009
Trade payables from related parties:	-	-
	<u>49,57,405</u>	<u>12,30,009</u>

Trade payables due for payment

Particulars	Unbilled	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2023						
(i) MSME	-	-	-	-	-	-
(ii) Others	49,57,405	-	-	-	-	49,57,405
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-others	-	-	-	-	-	-
Total	49,57,405	-	-	-	-	49,57,405

Particulars	Unbilled	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2022						
(i) MSME	-	-	-	-	-	-
(ii) Others	12,30,009	-	-	-	-	12,30,009
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-others	-	-	-	-	-	-
Total	12,30,009	-	-	-	-	12,30,009

As at
March 31, 2023

As at
March 31, 2022

2.10 Borrowings

Unsecured at amortised cost

Accrued interest on loan repayable on demand from holding company
(Interest rate of 7.16% per annum)

	70,513	-
	<u>70,513</u>	<u>-</u>

2.11 Other financial liabilities

Other payables
Accrued salaries and benefits

	9,29,792	-
	23,00,002	16,66,371
	<u>32,29,794</u>	<u>16,66,371</u>

2.12 Provisions

Compensated absence payable

	1,01,785	28,521
	<u>1,01,785</u>	<u>28,521</u>

2.13 Other non-financial liabilities

Others
Withholding taxes and other taxes payable

	66,748	95,422
	<u>66,748</u>	<u>95,422</u>



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency: Indian rupees)

	As at March 31, 2023			As at March 31, 2022		
2.14 Equity share capital						
Issued, subscribed and paid up:						
12,51,001 (Previous year: 1,101,001) Ordinary shares of USD 1 each		7,45,06,125			6,24,67,000	
100 (Previous year: 100) Class B shares of USD 1 each		6,338			6,338	
		<u>7,45,12,463</u>			<u>6,24,73,338</u>	
a. Movement in share capital						
	March 31, 2023			March 31, 2022		
	No of shares	Amount		No of shares	Amount	
Ordinary shares						
Balance at the beginning of the year	11,01,001	6,24,67,000		11,01,001	6,24,67,000	
Issue of shares during the year	1,50,000	1,20,39,125		-	-	
Balance at the end of the year	<u>12,51,001</u>	<u>7,45,06,125</u>		<u>11,01,001</u>	<u>6,24,67,000</u>	
Class B shares						
Balance at the beginning of the year	100	6,338		100	6,338	
Issue of shares during the year	-	-		-	-	
Balance at the end of the year	<u>100</u>	<u>6,338</u>		<u>100</u>	<u>6,338</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	%
Ordinary Shares						
EC International Limited (holding company)	12,51,001	7,45,06,125	100%	11,01,001	6,24,67,000	100%
Class B Shares						
EC International Limited (holding company)	95	6,021	95%	95	6,021	95%
Gamla Livförsäkringsaktiebolaget SEB Trygg Liv (publ)	5	317	5%	5	317	5%
	<u>100</u>	<u>6,338</u>	<u>100%</u>	<u>100</u>	<u>6,338</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	%
Ordinary Shares						
EC International Limited (holding company)	12,51,001	7,45,06,125	100%	11,01,001	6,24,67,000	100%
Class B Shares						
EC International Limited (holding company)	95	6,021	95%	95	6,021	95%
	<u>95</u>	<u>6,021</u>	<u>95%</u>	<u>95</u>	<u>6,021</u>	<u>95%</u>
d. Shares held by promoter 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	%	% change during the year
Ordinary Shares						
EC International Limited (holding company)	12,51,001	100%	14%	11,01,001	100%	0%
Class B Shares						
EC International Limited (holding company)	95	100%	0%	95	100%	0%
e. Terms / rights attached to equity shares:						
The different classes of shares carry rights as under:						
(i) Class A Ordinary shares carry voting rights but do not carry distribution rights; and						
(ii) Class B Ordinary shares are non voting but carry distribution rights.						
Pursuant to Clause 20 of the Constitution of the Company, upon winding up, the assets, if any, remaining after payment of the debts and liabilities and the cost of winding up, shall be distributed among the shareholders in proportion to their shareholding.						
2.15 Reserves and surplus						
	As at March 31, 2023			As at March 31, 2022		
a. Foreign exchange translation reserve						
Opening balance		1,82,20,153			1,80,17,391	
Movement for the year		<u>(2,39,037)</u>			<u>2,02,762</u>	
		1,79,81,116			1,82,20,153	
b. Retained earnings						
Opening balance		(8,25,22,257)			(5,59,37,248)	
Add: Loss for the year		<u>(1,56,47,452)</u>			<u>(2,65,85,009)</u>	
Amount available for appropriation		(9,81,69,709)			(8,25,22,257)	
Total (a+b)		<u>(8,01,88,593)</u>			<u>(6,43,02,104)</u>	



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

	For the year ended March 31, 2023	For the year ended March 31, 2022
2.16 Fee and commission income		
Management fee income	29,51,799	-
Advisory & other fees	46,27,878	-
	<u>75,79,677</u>	<u>-</u>
2.16 a Service transferred at a point in time	25,96,641	-
Service transferred over time	49,83,036	-
	<u>75,79,677</u>	<u>-</u>
2.17 Interest income		
Interest income - others	(4,442)	4,253
	<u>(4,442)</u>	<u>4,253</u>
2.18 Other income		
Foreign exchange gain loss	-	3,498
Miscellaneous income	4,41,067	4,32,492
	<u>4,41,067</u>	<u>4,35,990</u>



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

	For the year ended March 31, 2023	For the year ended March 31, 2022
2.19 Employee benefit expenses		
Salaries wages and bonus	1,01,67,812	95,97,374
Contribution to provident and other funds	5,94,892	6,03,609
Staff welfare expenses	21,55,958	3,43,442
	<u>1,29,18,662</u>	<u>1,05,44,425</u>
2.20 Finance costs		
Interest on loan from holding company	66,898	-
Financial and bank charges	5,14,465	10,27,482
	<u>5,81,363</u>	<u>10,27,482</u>
2.21 Impairment on financial instruments		
Bad- debts and advances written off	77,529	12,66,634
	<u>77,529</u>	<u>12,66,634</u>

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade receivables Written off	-	12,66,634
Loans and advances written off	77,529	-
	<u>77,529</u>	<u>12,66,634</u>

2.22 Other expenses

Auditors' remuneration	19,29,944	9,08,791
Directors' sitting fees	12,77,023	4,14,150
Legal and professional fees	40,85,603	89,94,002
Telephone charges	3,25,006	2,58,564
Office expenses	12,215	31,802
ROC expenses	11,16,860	9,74,864
Market data services	10,617	15,38,542
Foreign exchange loss (net)	10,986	-
Selling and distribution expenses	3,86,477	-
Rent expenses	8,79,920	8,91,042
	<u>1,00,34,651</u>	<u>1,40,11,757</u>

Auditors' remuneration:
As auditors

19,29,944	9,08,791
<u>19,29,944</u>	<u>9,08,791</u>



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.23 Earnings per share

	Particulars	March 31, 2023	March 31, 2022
a)	Net Profit for the year attributable to equity shareholders	(1,56,47,452)	(2,65,85,009)
b)	Calculation of weighted average number of equity shares of USD 1 each:		
	– Number of shares at the beginning of the year	11,01,001	11,01,001
	– Number of shares issued during the year	1,50,000	-
	Total number of equity shares outstanding at the end of the year	12,51,001	11,01,001
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	11,89,631	11,01,001
c)	Basic and diluted earnings per share (in Rupees) (a/b)	(13.15)	(24.15)

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

2.24 Segment reporting

The Company has operated only in one business segment during the year viz advisory and consultancy services. Therefore, the Company has only one reportable business segment, the results of which are disclosed in the financial statements.



Notes to the financial statements (continued)

(Currency : Indian rupees)

2.25 a Income tax disclosure

The components of income tax expense for the year are:

Particulars	March 31, 2023	March 31, 2022
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	-
Deferred tax relating to origination and reversal of temporary differences	-	-
Total tax charge	-	-
Current tax	-	-
Deferred tax	-	-

2.25 b Reconciliation of total tax charge

The Company is liable to pay income tax on its net income at a rate of 15%. The Company is however entitled to a tax credit equivalent to the higher of actual foreign tax suffered and 80% of Mauritius tax payable in respect of its foreign source income thus reducing its maximum effective tax to 3%.

A reconciliation between current tax expense and amounts computed by applying the effective rates to income before tax of the Company is as follows:

Particulars	March 31, 2023	March 31, 2022
Accounting profit before tax as per financial statements	(1,56,47,452)	(2,65,85,009)
Tax rate (in percentage)	15%	15%
Income tax expense calculated based on this tax rate	(23,47,118)	(39,87,752)
Effect of non-deductible expenses:	19,362	2,18,851
Effect of non recognition of deferred tax asset on current-period losses	23,27,756	37,68,901
Tax expense reported in statement of profit and loss	-	-

2.25 c Details of temporary differences where deferred tax assets have not been recognised in the balance sheet

Financial Year to which the loss relates to	Amount	Expiry year-financial year
31st March 2023		
FY 2022-23	1,55,18,374	FY 2027-28
FY 2021-22	2,53,18,376	FY 2026-27
FY 2020-21	2,24,52,571	FY 2025-26
FY 2019-20	1,37,55,119	FY 2024-25
FY 2018-19	1,03,71,720	FY 2023-24
Total	8,74,16,160	
31st March 2022		
FY 2021-22	2,53,18,376	FY 2026-27
FY 2020-21	2,24,52,571	FY 2025-26
FY 2019-20	1,37,55,119	FY 2024-25
FY 2018-19	1,03,71,720	FY 2023-24
Total	7,18,97,786	



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.26 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

Particulars	March 31, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	10,08,107	-	10,08,107	5,85,976	-	5,85,976
Trade receivables	9,61,839	-	9,61,839	-	-	-
Loans	-	-	-	77,172	-	77,172
Investments	-	903	903	-	832	832
Other financial assets	69,444	-	69,444	64,039	-	64,039
	20,39,390	903	20,40,293	7,27,187	832	7,28,019
Non-financial assets						
Property, plant and equipment	-	54,002	54,002	-	92,780	92,780
Other intangible assets	-	-	-	-	6,174	6,174
Other non-financial assets	6,55,820	-	6,55,820	3,64,584	-	3,64,584
	6,55,820	54,002	7,09,822	3,64,584	98,954	4,63,538
Total assets (A)	26,95,210	54,905	27,50,115	10,91,771	99,786	11,91,557

Particulars	March 31, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Trade payables	49,57,405	-	49,57,405	12,30,009	-	12,30,009
Borrowing (other than debt securities)	70,513	-	70,513	-	-	-
Other financial liabilities	32,29,794	-	32,29,794	16,66,371	-	16,66,371
	82,57,712	-	82,57,712	28,96,380	-	28,96,380
Non-financial liabilities						
Provisions	24,000	77,785	1,01,785	-	28,521	28,521
Other non-financial liabilities	66,748	-	66,748	95,422	-	95,422
	90,748	77,785	1,68,533	95,422	28,521	1,23,943
Total liabilities (B)	83,48,460	77,785	84,26,245	29,91,802	28,521	30,20,323
Net assets (A-B)	(56,53,250)	(22,880)	(56,76,130)	(19,00,031)	71,265	(18,28,766)



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.27 Related party disclosures

- (A) Names of related parties by whom control is exercised
 Edelweiss Financial Services Limited Ultimate Holding company
 EC International Limited Holding company
- (B) Subsidiaries in liquidation and with whom transactions have taken place during the year
 EW Special Opportunities Advisors LLC
- (C) Fellow subsidiaries with whom transactions have taken place during the year
 Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited)

Transactions and balances with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended March 31, 2023	For the year ended March 31, 2022
(I)	Capital account transactions			
	Share issued during the year	EC International Limited	1,20,39,125	-
(II)	Current account transactions			
	Short term loan given to (Refer Note-1)	EW Special Opportunities Advisors LLC	-	4,46,910
	Short term loan given to (Refer Note-2)	EW Special Opportunities Advisors LLC	-	4,46,910
	Short term loan repaid by (Refer Note-1)	EW Special Opportunities Advisors LLC	-	4,46,910
	Short term loan repaid by (Refer Note-2)	EW Special Opportunities Advisors LLC	-	4,46,910
	Short term loan taken from (Refer note 1)	EC International Limited	38,06,810	-
	Short term loan taken from (Refer note 2)	EC International Limited	38,06,810	-
	Interest expense on loan taken from	EC International Limited	66,898	-
	Fees and commission income received from	Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited)	46,27,878	-
(III)	Balances with related parties			
	Interest payable	EC International Limited	70,513	-

Note:

- 1) Loan given to related parties are disclosed based on maximum of debit/credit during the reporting period.
- 2) Loans given to related parties are disclosed based on total debit/credit taken during the reporting period.
- 3) Disclosure under section 186(4) of the Companies Act, 2013 for loans and guarantee: Loans have been given for general business purpose.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.28 Change in liabilities arising from financing activities

There will be no change in liabilities for the reporting periods as there are no transactions relating to financing activities as at March 31, 2023 and March 31, 2022 against the disclosure.

2.29 Contingent liabilities

There are no legal claim outstanding against the Company as at March 31, 2023 (March 31, 2022: Nil). Also, the Company has Rs. Nil (March 31, 2022: Rs Nil) contingent liabilities as at the balance sheet date.

2.30 Capital management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide an adequate return for shareholders.

The Company defines "capital" as including all components of equity. The amount of capital employed at March 31, 2023 was INR (5,676,130) [March 31, 2022: INR (1,828,766)].

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company, to the extent that these do not conflict with the directors' fiduciary duties towards the Company or the requirements of local regulation.

The Company as a holder of an Investment Adviser (Unrestricted) Licence issued by the Financial Services Commission, is required under the Securities Act 2005 to maintain a minimum paid up and unimpaired capital of at least Mauritian Rupees 600,000 or an equivalent amount in foreign currency. As at March 31, 2023, the Company has a shareholders' fund of INR (5,676,130) [March 31, 2022: INR (1,828,766)].

The directors are committed to ensure that the minimum capital requirements of the Company are met at all times and take appropriate measures anytime there is a breach.

2.31 Fair value measurement:

2.31 a Financial instruments

No disclosure has been provided since the carrying amount of the financial assets and liabilities not measured at fair value approximates their fair value due to the short term nature of these balances.

2.31 b Transfer between Level 1 , Level 2 and Level 3

There were no transfer between different levels during the year.

2.32 Risk Management

2.32 a Introduction and risk profile

The Company has operations in Mauritius. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.32 Risk management (continued)

Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board of Directors is responsible for monitoring the overall risk process within the Company.

The Board of Directors has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits.

2.32 b Analysis of financial assets and liabilities by industry risk concentration

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

Particulars	Financial services	
	March 31, 2023	March 31, 2022
Financial assets		
Cash and cash equivalents	10,08,107	5,85,976
Trade receivables	9,61,839	-
Investments	903	832
Loans	-	77,172
Total	19,70,849	6,63,980

Particulars	Other services	
	March 31, 2023	March 31, 2022
Financial assets		
Other financial assets	69,444	64,039
Total	69,444	64,039

2.32 c Collateral and other credit enhancements

The below tables show the maximum exposure to credit risk by class of financial asset. The carrying amount of financial assets represents the Company's maximum exposure to credit risk, before taking into account any collateral held.

Particulars	Maximum exposure to credit risk	
	March 31, 2023	March 31, 2022
Financial assets		
Cash and cash equivalents	10,08,107	5,85,976
Investments	903	832
Loans	-	77,172
Trade receivables	9,61,839	-
Other financial assets	69,444	64,039
Total	20,40,293	7,28,019

The Company does not hold any collateral in respect of above financial assets.

The Company's cash and cash equivalent are held with regulated and reputed financial institution. Loans were advanced to holding company and Edelweiss Fixed income fund.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.32 Risk management (continued)

2.32 d Liquidity risk and funding management

Liquidity or funding risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

2.32 e Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31 March. Repayments which are subject to notice are treated as if notice were to be given immediately.

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	-	-	-	-	49,57,405	-	-	-	-	-	49,57,405
Borrowings (other than debt securities)	-	-	-	-	70,513	-	-	-	-	-	70,513
Other financial liabilities	-	-	-	-	32,29,794	-	-	-	-	-	32,29,794
Total undiscounted non-derivative financial liabilities	-	-	-	-	82,57,712	-	-	-	-	-	82,57,712

As at 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	-	-	-	-	12,30,009	-	-	-	-	-	12,30,009
Borrowings (other than debt securities)	-	-	-	-	16,66,371	-	-	-	-	-	16,66,371
Other financial liabilities	-	-	-	-	28,96,380	-	-	-	-	-	28,96,380
Total undiscounted non-derivative financial liabilities	-	-	-	-	28,96,380	-	-	-	-	-	28,96,380

2.32 f Analysis of non-derivative financial assets by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial assets as at 31 March.

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 equivalents	10,08,107	-	-	-	-	-	-	-	-	-	10,08,107
Trade receivables	-	-	-	-	9,61,839	-	-	-	-	-	9,61,839
Investments at amortised cost	-	-	-	-	-	-	69,444	-	-	-	69,444
Other financial assets	-	-	-	-	9,61,839	-	69,444	-	-	903	20,40,293
Total	10,08,107	-	-	-	9,61,839	-	69,444	-	-	903	20,40,293

As at 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 equivalents	5,85,976	-	-	-	-	-	-	-	-	-	5,85,976
Loans	77,172	-	-	-	-	-	-	-	-	-	77,172
Investments at amortised cost	-	-	-	-	-	-	64,039	-	-	-	64,039
Other financial assets	-	-	-	-	-	-	64,039	-	-	832	7,28,019
Total	6,63,148	-	-	-	-	-	64,039	-	-	832	7,28,019



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.32 Risk management (continued)

2.32 g Financial assets available to support future funding

Following table sets out availability of financial assets to support funding

March 31, 2023	Pledge as collateral	others 1	Available as collateral	others 2	Total carrying amount
Cash and cash equivalents	-	-	10,08,107	-	10,08,107
Trade receivables	-	9,61,839	-	-	9,61,839
Investments	-	-	903	-	903
Loans	-	-	-	-	-
Other financial assets	-	69,444	-	-	69,444
Total assets	-	10,31,283	10,09,010	-	20,40,293

March 31, 2022	Pledge as collateral	others 1	Available as collateral	others 2	Total carrying amount
Cash and cash equivalents	-	5,85,976	-	-	5,85,976
Trade receivables	-	-	-	-	-
Investments	-	-	832	-	832
Loans	-	-	77,172	-	77,172
Other financial assets	-	64,039	-	-	64,039
Total assets	-	6,50,015	78,004	-	7,28,019

1 Represents assets which are not pledged and Company believes it is restricted from using to secure funding for legal or contractual or other reason

2 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

2.33 Market Risk:

Market 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, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately using sensitivity analyses.

Total market risk exposure

Particulars	March 31, 2023			March 31, 2022		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cash equivalents	10,08,107	-	10,08,107	5,85,976	-	5,85,976
Loans	-	-	-	77,172	-	77,172
Trade receivables	9,61,839	-	9,61,839	-	-	-
Investments	903	-	903	832	-	832
Other financial assets	69,444	-	69,444	64,039	-	64,039
Total	20,40,293	-	20,40,293	7,28,019	-	7,28,019

Particulars	March 31, 2023			March 31, 2022		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Liability						
Borrowings (other than debt securities)	70,513	-	70,513	-	-	-
Trade payables	49,57,405	-	49,57,405	12,30,009	-	12,30,009
Other financial liabilities	32,29,794	-	32,29,794	16,66,371	-	16,66,371
Total	82,57,712	-	82,57,712	28,96,380	-	28,96,380

Interest risk

There are no transactions during the current year concerning Interest rate risk.

Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. All the financial assets and liabilities are in Company's functional currency and thus the Company is not exposed to any Currency risk

Equity price risk:

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices. The Company does not have any Equity Price risk as at March 31, 2023.

Index price risk:

Index price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of equity indices. The Company does not have any Index Price risk as at March 31, 2023



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.34 Operating lease

The Company has taken premises on operating lease. Gross rental expenses for the year ended March 31, 2023 aggregated to Rs 879,920 (March 31, 2022 : Rs 891,042) which has been included under the head other expenses – Rent in the statement of profit and loss in note 2.22

Operating lease commitments

Particulars	March 31, 2023	March 31, 2022
Within one year	6,24,239	5,45,660
Total	6,24,239	5,45,660

2.35 Unconsolidated structured entities

These are entities that do not meet consolidation criteria explained Summary of significant accounting policies.

An entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

2.35 a The following tables show the carrying amount of the Company's recorded interest in its consolidated balance sheet as well as the maximum exposure to risk (as defined in below) due to these exposures in the unconsolidated structured entities and asset management activities:

Particulars	March 31, 2023	March 31, 2022
	Alternative Investment Funds	
Trading assets at fair value		
Trade receivables	-	-
Total Assets	-	-
Size of the structured entity	-	-
Income from the structured entity	-	-

2.35 b The following tables show the details of the unconsolidated structured entities, which are not disclosed in the above table

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from those structure entities – Nuvama India Opportunities Fund (formerly known as EW India Opportunities Fund - Class A & B)	29,51,799	-
Type of income	Management fee income	N.A
Carrying amount of assets transferred to those structured entities during the period	-	-

2.36 Other additional regulatory information

2.36 a Title deeds of immovable properties not held in name of the Company

The Company do not have any immovable properties where title deeds are not held in the name of the company.

2.36 b Loans and advances

There are no loans or advances in the nature of loans which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- (a) repayable on demand or
- (b) without specifying any terms or period of repayment.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.37 Other disclosures

- (i) The Company do not have any benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company has no borrowings from banks or financial institutions on the basis of security of current assets.
- (iii) The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- (iv) The Company do not have any transactions with companies struck off.
- (v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vi) (A) During the year, 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:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries(B) During the year, 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:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company have not any such transaction which is not recorded in the books of accounts .
- (viii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and any of the previous financial years.



Nuvama Investment Advisors LLC (formerly known as EAAA LLC)

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.38 Details of Ratio

Particulars	March 31, 2023	March 31, 2022
Current ratio (refer note 1)	(0.32)	(0.36)
Debt-equity Ratio (Refer note 4)	-	-
Debt Service Coverage Ratio (Refer note 4)	-	-
Return on Equity ratio (refer note 2)	(4.17)	(2.34)
Inventory turnover ratio (refer note 5)	-	-
Trade receivable turnover ratio (refer note 5)	-	-
Trade payable turnover ratio (refer note 5)	-	-
Net Capital turnover ratio (refer note 5)	-	-
Net profit ratio (refer note 5)	-	-
Return on Capital Employed (refer note 3)	2.78	14.54
Return on Investment (refer note 4)	-	-

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 (Networth - 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.

2.39 Previous year comparatives

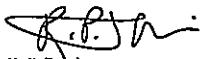
Previous year figures have been regrouped and rearranged wherever necessary

2.40 Events after reporting date

There have been no events after the reporting date that require disclosure in this financial statement.

As per our report of even date attached.

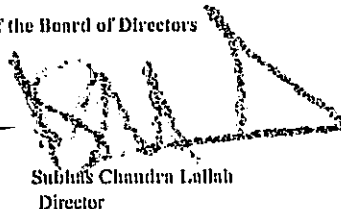
For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W



R.P. Soni
Partner
Membership No. : 104796
12th May 2023

For and on behalf of the Board of Directors


Manish Ajodha
Director
12th May 2023


Subhas Chandra Lallab
Director

